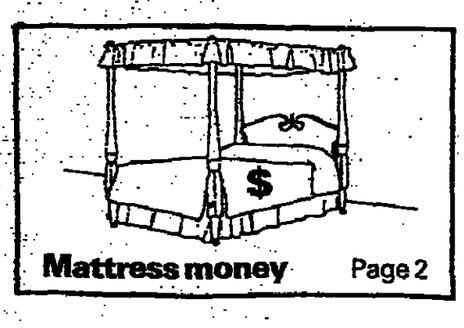


Mattress money Page 2

THE JERUSALEM POST

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EIGHT PAGES FROM SUNDAY'S The New York Times WEEKLY REVIEW INSIDE TODAY

Hospital strike to intensify

By JUDY SIEGEL
Post Science and Health Reporter

Health Minister Shoshana Arbeli-Almoslino last night demanded that the government hospital workers return to work immediately, as they had crossed the danger line and patients' lives were now at risk.

The minister, who has faced apathy from fellow ministers and much of the public throughout the week-long strike, told Prime Minister Shamir yesterday that she would not take sole responsibility for the situation in the 26 government hospitals. The burden, she said, must be borne by the entire cabinet.

The 11,000 striking clerks and cleaning workers last night decided to intensify the strike. They would not allow the remaining clean laundry to be distributed to the patients, they said; nor would they open the storage rooms housing hospital equipment. If no commitment were made to raise their salaries, they warned they would resort to even harsher sanctions tomorrow.

The strikers are to demonstrate at 11 a.m. today outside the Treasury to protest against what they call the finance minister's "tight-fisted" policy on granting them wage increases.

Another demonstration has been called for 10 a.m. tomorrow outside Histadrut headquarters. It will protest against the resolution of the labour federation's central committee calling on the hospital workers to honour labour court decisions and return to work.

While calling for a return to the wards, the Histadrut said it would maintain contacts with the various government authorities to ensure that the hospital workers were granted higher wages. Currently, many of them take home NIS 450-NIS 500 a month.

Histadrut Secretary-General Yisrael Kessar said that the tension in the economy was due to the huge salary gap between the lowest and the highest rungs of the economic ladder.

The national council of the hospital workers, meeting yesterday afternoon at Sheba Hospital in Tel Hashomer, castigated the central committee for its resolution, and said they would not return to work.

They were also displeased by the health minister's call, broadcast on radio, asking them to go back to the hospitals. She claimed that the informal negotiations conducted last week provided "a solid basis" for expecting a decent settlement.

Meanwhile, Attorney-General Yosef Harish, at the request of Finance Minister Moshe Nissim, will ask the Jerusalem District Labour Court for additional enforcement orders against strikers.

So far, fewer than 50 such orders have been issued to strikers, who have consequently gone back to work.

Moroccans here on business trip

LOD (Itim). – Four Moroccan businessmen and farmers arrived here yesterday for a week's business visit and were met by Labour MK Yitzhak Peretz, who is of Moroccan origin.

Itim reports that this is not the first Moroccan delegation to visit Israel. But none of the previous groups were given much media coverage. News reports of the visit here last week elicited angry denials by the Moroccan government that the group would be on an official visit, or that it would meet the agriculture minister.

Peretz said that the visitors were businessmen representing private firms that were interested in the poultry, dairy and banana branches here. Their itinerary includes visits to kibbutzim, moshavim, agricultural research institutes and various processing plants.

Deputy Minister of Agriculture Avraham Katz-Oz yesterday told an AFP reporter that the four businessmen were on an unofficial visit and that he had met them during a visit to Morocco a year and a half ago.

Katz-Oz added: "Although the visit is an unofficial one, I don't believe it would have been possible to organize it without the knowledge of the Moroccan authorities.

To our readers in the Haifa area

Please note that The Jerusalem Post office at 16 Rehov Nordau, Hadar Hacarmel, Haifa (Tel. 04-645444) is now open

7:30 a.m. – 1:30 p.m. (Friday till 1:00 p.m.)



View of the Shatilla refugee camp in southern Beirut taken through an Amal Shi'ite siege barrier. Four thousand Palestinians still live among the rubble after three months of shelling which destroyed or seriously damaged 95 per cent of the buildings. The Amal siege continues despite Unrwa's delivery of food and supplies last Friday. (see Amal Militia – Page 3.) (AFP telephoto)

Berri in firm control of Amal after quelling pro-PLO revolt

By DAVID RUDGE
Jerusalem Post Reporter

ROSH HANIKRA. – Forces loyal to Shi'ite Amal leader Nabih Berri appeared to be in firm control of South Lebanon last night after quelling an attempted coup by Shi'ite extremists aligned with the PLO and the fanatical Hizbullah (Party of God) movement.

The revolt, led by former Amal strongman Hasan Hashim, was apparently put down without bloodshed.

South Lebanese sources told *The Jerusalem Post* that at least 30 rebel ringleaders had been arrested by Amal militiamen. It was not clear last night whether Hashim himself was among those caught.

The sources reported that the region was quiet and mainstream Amal supporters appeared to be in full control, despite the absence of Daoud Daoud, the Shi'ite leader in the south.

Daoud visited Damascus yesterday for talks with Berri, who has been there for some time. The sources said Hashim had apparently tried to use the absence of Daoud to stage his coup.

Earlier, about 150 supporters of Hashim, mostly young Shi'ites, had fanned out through several villages aroung Tyre in an effort to drum up support for Hashim.

There were reports that armed Palestinians took part in the attempted coup, but the sources said they could not confirm this.

Amal immediately mobilized, and within an hour, according to the sources, had over 2,500 armed militiamen on the streets. They reportedly overpowered the rebels by force of numbers and the ringleaders were arrested.

Hashim himself, the sources said,



Hassan Hashim, former chairman of Amal's ruling executive committee, who headed the abortive coup against leader Nabih Berri. (Reuter telephoto)

was formerly a member of Amal's national executive committee, but was ousted from the post at the movement's congress early last year. He returned to his home village, near Sidon, and very little had been heard of him since then.

Hashim, noted for his radical stance and his opposition to Berri, made a name for himself among the younger extremist Shi'ite factions in the south during the IDF's incursion into Lebanon, when opposition to the Israeli presence was at its height.

According to the sources, Hashim gave his full backing to Shi'ites involved in the fight against IDF forces and was instrumental in arranging the supply of weapons and explosives from the north to the south.

Since then, however, his popularity has dwindled, despite pockets of support among radical Shi'ite elements in the south.

His attempt, yesterday, to rekindle the flame appears to have been extinguished totally by the mainstream Amal loyalists, the majority of whom do not subscribe to Hizbullah and its methods. They also have no love for the Palestinians, who subjugated them prior to the IDF's incursion in 1982.

Daoud Daoud, who recently resigned his post in an apparent attempt to gauge the depth of his support among the Shi'ites in the south, is due to return to Tyre today after his talks with Berri. He is expected to reassert himself and resume his position as leader of Amal in the south.

After American opposition

IAF job for Sela – but no promotion

By JOSHUA BRILLIANT
Post Defence Reporter

TEL AVIV. – Defence Minister Yitzhak Rabin last week appointed Aluf-Mishne (Colonel) Aviam Sela to a senior post in the Air Force but did not give him a rise in rank because of American opposition. The Americans were adamant that they would have nothing to do with Sela unless he cleared his name as one of the "handlers" of Israeli spy Jonathan Pollard, awaiting sentencing in the U.S.

Sela assumed his new post Friday. He had previously been commander of the U.S.-built Ramon Air Force base in the Negev.

Sela got the new job but not the rank of tat aluf (brigadier) that goes with it.

Rabin's decision on the matter was made after meeting the U.S. Embassy's number two man, Arthur Hughes.

Hughes maintained that Sela had been involved in spying against the U.S. while he had been there, and unless he cleared himself of those allegations it would be "pretty difficult" for any American official to deal with him.

The Americans did not issue an ultimatum, several sources told *The Jerusalem Post*, but it was clear that if Sela were assigned to an important position in the Air Force the close ties between it and the U.S. Air Force would be impaired.

However, Rabin was under pressure from Israeli sources to promote Sela. He was reportedly told that Sela should be treated like a pilot shot down during a reconnaissance mission over enemy territory and should not be abandoned.

Sela's case has been particularly sensitive for the Americans because unlike Pollard's other handlers, he has not cooperated with U.S. investigators.

U.S. warily approves, West Europe welcomes Gorbachev arms cut bid

WASHINGTON. – The Reagan Administration yesterday gave a generally positive reaction to Soviet leader Mikhail Gorbachev's new arms reduction offer, but officials stressed they would have to study it before making a response.

Western Europe largely welcomed the offer as a major breakthrough in the superpower arms control stalemate.

Gorbachev on Saturday removed a major stumbling block at the Geneva arms talks by offering to negotiate a separate agreement on medium-range nuclear missiles in Europe, apart from other more contentious issues on the table, including President Reagan's Strategic Defence Initiative (SDI) anti-missile system.

"It appears to us to be positive, from what limited information we have," White House spokesman Rusty Brashear told Reuters of the latest Gorbachev proposal.

"We are waiting to see exactly what they will be tabling" at the Geneva disarmament talks, Brashear said.

The Gorbachev proposal came as U.S. negotiators were preparing their own version of treaty language on medium-range missiles, which will be presented shortly, he said.

Chief U.S. arms negotiator Max Kampelman said he also welcomed the Gorbachev offer to revive the Iceland accord on medium-range missiles without linking it to other issues.

Another U.S. official, who asked not to be identified, said: "If he (Gorbachev) is saying the arms control issues should be separated, it's a tremendous step." But he noted that the Gorbachev proposal left unresolved key issues such as the timing of the medium-range missile reductions, an agreement on short-range missiles and verification measures to ensure an accord was not violated.

U.S. lawmakers were optimistic that the new Soviet position could open the door to an accord on medium-range missiles in Europe.

Western Europeans welcomed the surprise Soviet offer as a long-awaited breakthrough.

West German Foreign Minister Hans-Dietrich Genscher said it removed "the main obstacle" to an accord. Nato Secretary-General Lord Carrington called it "a substantial step forward." The Danish Foreign Ministry said it was "a good and positive signal," and Belgian Foreign Minister Leo Tindemans said his reaction was to "rejoice" at the development, that matched the wishes of his own country.

The Netherlands has pledged to start stationing 48 cruise missiles next year, but Dutch Defence Minister Wim van Eekelen, asked in a radio interview yesterday if the chances of deployment had receded with the Gorbachev offer, replied: "Yes, I think so."

Several Western European governments – most notably Britain, France, and Italy – said they wanted time to study the Soviet offer.

The outgoing Nato commander-in-chief, Gen. Bernard Rogers of the U.S., warned against abolishing medium-range nuclear missiles in Europe without making progress on other East-West disarmament issues.

U.S. and Soviet arms-control

(Continued on Back Page)

Fredric Mann, at 84

Fredric Mann, the philanthropist, died Thursday in a Florida hospital at the age of 84.

His death followed a lengthy illness, according to an official of the Israel Philharmonic Orchestra, which Mann helped to found. (See appreciation p.4)

Coalition seen safe now

Shamir and Peres in sharp conflict

By BENNY MORRIS
Post Diplomatic Correspondent

The shadow of personal animus and grave political accusations passed between Prime Minister Shamir and Foreign Minister Peres at yesterday's weekly cabinet meeting as the two main coalition partners battled over the proposal of an international conference for Middle East peace.

But despite the clearly defined Labour-Likud division over the future of the peace process, the matter was not brought to the vote. Government sources said that neither party had an interest in breaking up the government at the moment, and predicted that the coalition would endure for some time yet.

In the course of the argument, Peres again said that those who were trying to torpedo the international conference were in effect killing the peace process. Shamir countered with the charge that Peres was inviting an Israeli withdrawal to the 1967 borders. Peres made clear that he would continue to promote the international conference idea.

The sharp argument was triggered by the reports from Shamir and Peres on their respective visits last week to the U.S. and Egypt – in which the prime minister repeatedly opposed the conference idea, while the foreign minister just as repeatedly promoted the convening of such a conference before the end of 1987.

The debate was kicked off by Housing Minister David Levy, who spoke of the "paradox" and "anomaly" of a government "that speaks with two voices (in foreign policy)." The ministers, he said, refrained from directly debating the issue among themselves and reaching some sort of conclusion, but continued to conduct a vicarious argument via the media. For the first time, Egyptian newspapers were predicting internal Israeli government crises, he said.

Levy argued that it was in Israel's "national interest" to debate the issue and arrive at conclusions, and it was inconceivable that ministers – meaning Peres – should continuously speak of breaking up the government. But Levy pointedly refrained from demanding an immediate vote in the matter.

Defence Minister Yitzhak Rabin proposed that as neither Shamir nor Peres were asking for a vote, the matter would best be removed from the agenda.

But Shamir, while asking for verbal "restraint," said that it was no longer possible for him to keep his peace: recent experience had shown that his silence was interpreted by Labour as consent.

Shamir said he was "saddened" by the atmosphere of the unity government these days. From the start, the partners knew with whom they were going into coalition; knew each other's ideologies. But now, he said, there were those "who wish to impose decisions on the government that are contrary to the conscience and views of another part of that government." Such matters as the international conference, he said, cannot be decided upon "by the way."

Even Jordan, said Shamir, was not conducting propaganda to promote the conference idea, as Labour's emissaries had been doing recently in the U.S. and Europe. The prime minister was referring to trips last month by Peres's foreign affairs adviser Nimrod Novik and Yossi Beilin, the director general for political affairs of the Foreign Ministry.

Shamir recalled that, in the past, Peres himself had gone on record as opposing the conference concept.

Minister with Portfolio Ezer Weizman: There were also some who had opposed the Camp David accords [the reference being to Shamir].

Peres: One must distinguish between a conference as an introductory and preliminary step towards direct Israeli-Arab negotiations, and a negotiating conference.

Shamir: It is legitimate for the foreign minister to have leeway to check (other countries') stands. But it is not legitimate to make propaganda abroad on behalf of the conference. Moreover, Egyptian Foreign Minister Esmat Abdel Meguid declared "this morning" that the PLO would be the ones to determine who would be the Palestinian representatives at the proposed conference. One cannot, therefore, say (as Peres has been doing for the past few days) that the Egyptians conceded on this point.

Peres: A peace process is necessary.

Shamir: Who says that this is the only way; that those who oppose it are "killers of peace?" Whoever says this must retract his words.

Peres: Whoever says that I want to go back to the 1967 borders, or that the conference is a Soviet-Arab idea, must retract his words.

Shamir: Whoever desires and pushes for a conference seeks a return to the 1967 borders.

Peres: Whoever says this doesn't want a peace process.

Shamir: If you are saying that you do not want a return to the '67 borders, then holding this debate was worthwhile. The Soviet Foreign Ministry spokesman Gennady Gerassimov this weekend said that the international conference proposal was a Soviet idea.

Peres: You don't understand the difference between the conference as a mere introduction to direct talks and the conference as a decision-making forum.

(Continued on Back Page)

Weizman the dove–must speak to PLO

By MENACHEM SHALEV

Last night Ezer Weizman took another step down the long political road that has transformed him from a Likud hawk to a Labour dove. At a meeting of Labour's dovish camp Weizman stated what many in Labour may think, but none dare say: Israel must speak to the PLO.

"We must find a PLO representation that will recognize UN Security Council Resolutions 242 and 338," said Weizman. "We must sit down with someone who can bring results."

Some 250 Labour MKs and activists came to the Koor building in Tel Aviv yesterday in an attempt to establish a counterweight to a similar, well-attended gathering of "mainstream" – centrist and right wing – Labour members who convened several weeks ago.

The meeting also seemed to crown Weizman, who formally joined Labour last month as the unofficial head of the party's doves.

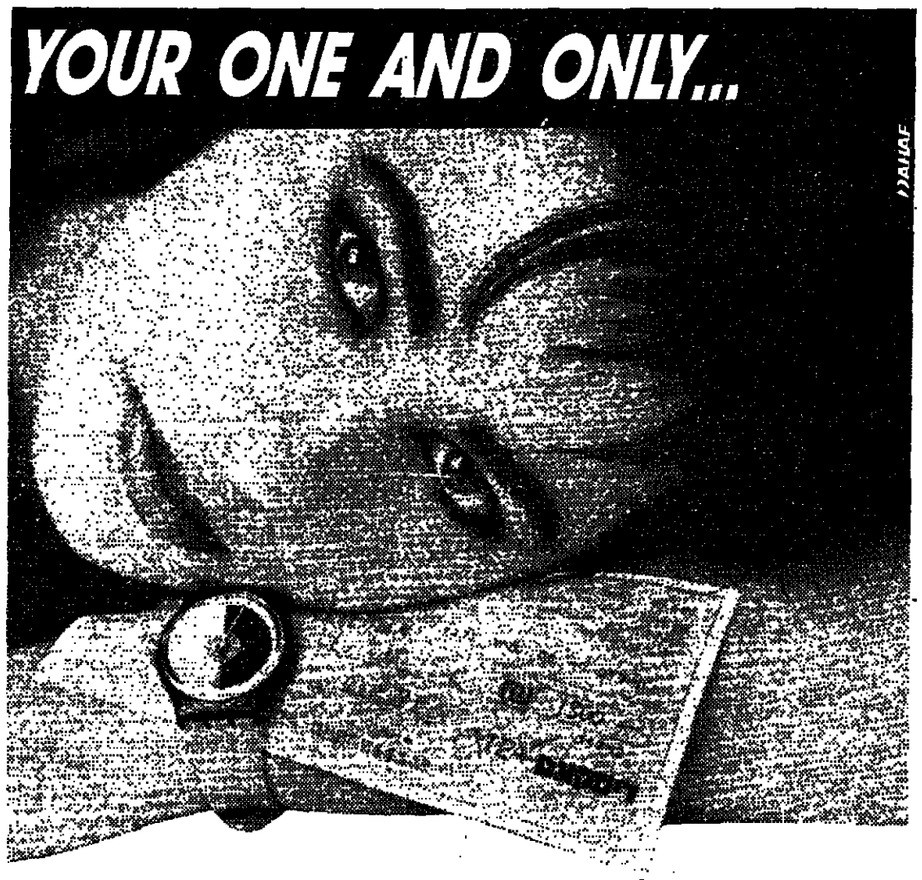
"I am aware of the limitations of the PLO," said Weizman, referring to the PLO Covenant, which calls for the destruction of Israel. "Only those who use planes, tanks and other weapons can destroy us. But those who plant explosives in trash cans are showing only weakness, anger and frustration. They can't destroy us," he said.

"We can't sit and wait forever. If we talk to the PLO, King Hussein might come along too. I always see Hussein kissing his brother goodbye and then going off somewhere. Why doesn't he come here and kiss Shimon [Peres] on the Allenby Bridge?"

Labour's secretary-general, Uzi Baram, who came to present the party's formal greetings but said that "my positions are the same as those of the assembled here," told Weizman that his call for talks with the PLO was a "tactical" mistake.

"We cannot forgive the PLO," said Baram, "because time and again all attempts that were made to change its policy from one of rejec-

(Continued on Page 2, Col. 1)



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	1.3.87 MIN. °C	F	MAX. °C	F	
AMSTERDAM	2	36	10	50	Cloudy
BRUSSELS	2	36	11	52	Rain
BUENOS AIRES	24	75	32	89	Cloudy
CHICAGO	3	37	5	41	Cloudy
COPENHAGEN	-3	27	3	37	Clear
FRANKFURT	7	45	12	54	Clear
GENEVA	7	45	14	57	Rain
HELSINKI	-15	5	-6	21	Clear
HONGKONG	15	59	19	66	Cloudy
JOHANNESBURG	18	64	29	84	Clear
LISBON	10	50	23	73	Clear
LONDON	9	48	12	54	Rain
MADRID	4	39	20	68	Clear
MONTREAL	-5	22	4	40	Snow
NEW YORK	1	34	6	42	Rain
OSLO	-15	3	-5	23	Clear
PARIS	10	50	14	57	Cloudy
RIO DE JANEIRO	22	71	36	96	Clear
SAO PAULO	19	66	32	90	Cloudy
STOCKHOLM	-14	7	-8	18	Clear
TOKYO	1	34	10	50	Cloudy
TORONTO	0	33	1	35	Rain
VIENNA	0	32	9	48	Snow
ZURICH	0	32	5	41	Rain

*For the latest weather conditions contact Swissair.

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THE WEATHER

Forecast: Partly cloudy, slightly warmer.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	72	3-10	12
Golan	82	2- 9	11
Nahariya	—	—	—
Safad	94	3- 6	9
Haifa Port	88	9-13	16
Tiberias	80	6-14	18
Nazareth	86	6-10	13
Afula	81	4-12	15
Shomron	67	4-11	13
Tel Aviv	72	8-14	17
B-G Airport	85	6-15	17
Jericho	48	7-19	21
Gaza	61	10-16	17
Beersheba	58	4-15	18
Eilat	30	12-22	24

Foreign currency up $86m. in February, to $4.238 billion

'Mattress money' boosts reserves

By AVI TEMKIN
Post Economic Reporter

The country's foreign currency reserves grew by $86 million last month to $4.238 billion, the Bank of Israel reported yesterday, in a development analysts said probably stemmed from developments in the local capital market.

The public is cashing part of its "under the mattress" foreign currency and Patam accounts to finance purchasing of bonds and shares in the soaring stock exchange, analysts said. Sources at the Bank of Israel reported that in the first six weeks of the year $65m. was withdrawn from Patam accounts.

The increase in the reserves was not the only piece of good news for the government yesterday. The Treasury announced that last month it absorbed NIS 359m. from the public. The ministry added that last month its excess of revenue over domestic spending totalled NIS 414m.

This surplus was partially offset by developments in the capital market, where the government raised NIS 55m. less than it needed to cover redemptions of maturing bonds and the purchase of bank shares. Those expenditures came to NIS 855m. in February.

February was the second consecutive month in which the government absorbed a large sum of money from the public compared with NIS 591m. in January. Treasury officials said yesterday that since the beginning of the year the government had been running an excess of revenue over current domestic spending of close to NIS 1b.

According to the Treasury, government spending in February was markedly below its monthly average for the fiscal year. Expenditures were down 12 per cent from the average for the previous 10 months. But the ministry attributed this to "technical reasons." Since February was a 28-day month, a large part of the government's cash outflow will be registered in March.

In addition, the Treasury said, tax revenue in February picked up from the already high levels of previous months. Government income from taxes for last month was 4 per cent above the monthly average since the beginning of the fiscal year.

Commenting on these figures, Deputy Finance Minister Adi Amorai yesterday warned against over-optimistic conclusions. He said there were signs of what he called "weariness" among ministers and the public from the constant economic efforts in the last 20 months.

He said the economy would be facing difficult times in the new few months. The positive developments in government spending seen this fiscal year could not be sustained without a special effort to keep government outlay under control, Amorai said.

Violence in the courts

Prosecutor Yehudit Amsterdam was struck in the face by a convicted thief in the Tel Aviv District Court yesterday.

The incident highlighted the growing problem of violence in the courts.

Chairman of the Israel Bar, Menahem Berger, said yesterday that he saw the police as completely responsible for the safety of the court's agents. Speaking to Galei Zahal, Berger said he found serious fault with the police.

The thief, Ram Maimon, one of a gang that included Betar Jerusalem soccer player Shlomo Shirazi, was sentenced to nine years in prison. As he was walking past Amsterdam he suddenly turned around and hit her hard, saying, "I'll show you what nine years mean."

Maimon was hauled off by police, who were later reprimanded by the judge, Uri Strassman. Amsterdam said she would consider pressing charges against Maimon.

Also yesterday, the mother of Moshe Tamam, who was murdered by four Israeli Arabs in 1984, threw a boot at two of her son's killers and cursed them during their sentencing in a Lod military court. Both men received life sentences as had two others convicted in the case. The latter were sentenced last September. The Tamam family was ordered out of court, and left cursing the military court judges.

In mid-February, relatives of seven Israelis killed by Palestinian terrorists stormed into the chambers of Supreme Court President Meir Shamgar. They were seeking an order *nisi* to stop the government swapping Palestinian terrorists for hostages in Lebanon. Moshe Tamam's family was among the angry demonstrators.



Two of the many children who took part in a demonstration by about 1,000 Ethiopian immigrants outside the Prime Minister's Office yesterday. The demonstrators demanded that the Israeli government increase its efforts to reunite families separated during Operation Moses. Prime Minister Shamir received a delegation of demonstrators in his office and assured them that the government sympathized with their plight and was doing everything in its power to bring their relatives to Israel. (Feinblait, Media)

Kollek may testify for Rafi Levy

By ANDY COURT

Jerusalem Mayor Teddy Kollek may appear as a defence witness in the trial of former Jerusalem district representative Rafi Levy, but he has not yet been asked to testify, one of the defence attorneys said yesterday.

Orna Saban, who, together with attorney Shlomo Toussia-Cohen, is defending Levy, could not confirm a Kol Yisrael report that Kollek would appear as a witness for the defence. "We've been thinking of that, but we haven't yet talked to him," Saban said.

Municipal spokesman Rafi Devara also could not confirm the report. Kollek gave written testimony to the police three weeks ago and would give essentially the same testimony if summoned to court, Devara said.

Levy is being charged with extortion, breach of trust, accepting bribes, engaging in illegal foreign currency transactions and suborning witnesses. His trial began on January 16 and is now being held each Sunday and Friday in the Jerusalem District Court.

During yesterday's proceedings, Avi Gelbart, head of the investigative team in the case, revealed under cross-examination that police investigators had used a fabricated confession in an attempt to make headway in the case. Permission to use this deception was given by a high-ranking police officer, he said, but the technique did not prove particularly helpful in advancing the investigation.



Convicted criminals serving the last months of their sentences as yeshiva students under Rabbi Grossman, serve patients at Haifa's Rambam Hospital as the strike of hospital workers continues (Andre Brutmann)

Soldiers stoned in Jenin

By JOEL GREENBERG

Pupils in Jenin demonstrated and hurled stones at a group of IDF soldiers yesterday, lightly hurting the commander of the force before he fired in the air and shot rubber bullets to break up the protest, an IDF spokesman said.

The troops who arrived at the demonstration also fired tear gas canisters at the pupils, who had gathered at the boys' elementary school in the town, the spokesman said. He said the commander was cut in the fingers by a blunt object and hit by stones. The injured soldier was treated at a military infirmary and four pupils were arrested.

At the Kalandia refugee camp north of Jerusalem demonstrators hurled stones at Israeli vehicles, smashing the window of an Egged bus and denting a car, but there were no injuries.

Navon hospitalized

The minister of education and culture, Yitzhak Navon, was due to spend the night in Hadassah Hospital, Ein Kerem, which admitted him yesterday morning with a gall bladder complaint.

The Hadassah physicians will decide today whether to operate on his gall bladder or release him. Navon was admitted to hospital with a similar complaint several weeks ago.

WEIZMAN

(Continued from Page One)

tion to one of negotiation were in vain."

MK Abba Eban also seemed to endorse Weizman's position, but did not mention the PLO by name. "There are no Palestinians who do not have disturbing biographies, or who are members of the Zionist Executive."

MK Ora Namir said that the international conference was "not just technicalities and procedures." She expressed the hope that by participating in the decision-making process in the Middle East, the Soviet Union might help Israel to end its "exclusive and terrible dependence on the U.S."

Weizman also spoke favourably of the Soviets. He said that Mikhail Gorbachev's reforms were encountering the perennial "Jewish scepticism." He reminded his audience that, in 1948, most of Israel's weapons had come from the Soviet Union.

Tehiya seeks to dissolve Knesset

Jerusalem Post Reporter

The Tehiya secretariat called on its Knesset members to look into the possibility of dissolving the Knesset and calling new elections, Israel Radio reported yesterday.

The secretariat also criticized Foreign Minister Peres's latest talks in Egypt.

Plea not to close Nahalal seminary

Jerusalem Post Reporter

HAIFA. – The chairman of the Development Towns' Association Shaul Amor, yesterday called on the government to reverse its decision to close the teachers' seminar in Nahahal, half of whose 179 trainees come from the development towns in the north. The 34-year-old institution, which has graduated over 2,000 teachers, is to be closed at the end of the school year to save money.

Amor, who is mayor of Migdal Ha'emek, proposed unifying religious and secular schools, "whose separation is not warranted," and opening kibbutz schools to children from the development towns as alternative ways of trimming the education budget.

Amor noted that in his own town he had earmarked 40 of the 180 places in a vocational training school for kibbutz children – "to their complete satisfaction." He said he could not accept the kibbutz argument that they could not do the same for development town children "for ideological reasons."

He also noted that the Rogosin comprehensive school in his town had absorbed many religious pupils. "There is no reason to maintain two systems and waste large sums on the duplication," he said.

Amor warned that the closure would have an adverse effect on development towns in the north, forcing them to bus in teachers from the big cities and pay them extra for travelling.

Elitzur go through

Post Basketball Reporter

Elitzur Netanya, by virtue of an 86-80 come-from-behind win against Maccabi Haifa last night in Netanya, have earned the right to face champions Maccabi Tel Aviv in the semi-final round of the National Basketball League playoffs in Yad Eliyahu on Thursday night.

Security prisoner slain

GAZA (Itim). – A security prisoner was found dead in his jail cell here yesterday apparently after being strangled by a cellmate.

When Abdel Rahim Mansour, 38, of Khan Yunis failed to rise for the routine prisoner count at 5 p.m. yesterday, a fellow inmate explained: "I killed him."

Prisons Service Commissioner Gundar David Maimon has appointed a commission of inquiry to investigate the alleged murder.

LOCAL BRIEFS

Bomb goes off under bus near Gaza police station

GAZA (Itim). – An explosive charge went off under an Israeli bus that was parked near the Medina police station in Gaza on Saturday night. There were no casualties and the damage to the bus was slight. No suspects were arrested.

Gaza man kidnapped for welshing on debt

GAZA (Itim). – A local resident was kidnapped in the Rimal neighbourhood on Saturday night, when 30 men burst into his home and had him driven away in a vehicle they had waiting outside.

The man's wife complained to police, who found him after an all-night search and freed him. He said he had been kidnapped by members of a family with whom he was engaged in a business dispute. Apparently, when he failed to pay for one of his purchases, they decided to kidnap him.

Navon proposes equal budgets for Druse villages

The minister of education and culture, Yitzhak Navon, has tabled a proposal in the government to equalize government grants to Druse and Circassian local authorities with those given to Jewish bodies.

The proposal calls for sharp increases in budgets for schools and other educational institutions, for university scholarships, and for the building of sports and cultural centres in the Druse and Circassian sectors.

Some ministers, like Navon, are singling out the Druse and Circassian communities for equal treatment because their men are subject to military conscription. (Itim).

No plans yet to stage controversial play in Haifa

HAIFA. – The Haifa Municipal Theatre does not plan to stage Yitzhak Laor's controversial play *Ephraim Returns to the Army* soon, despite the recent High Court ruling against the censorship board's decision to ban it.

City councillors from the religious and right-wing parties are currently exerting pressure to keep the play out of the city theatre because it is allegedly anti-patriotic and slurs on the army and aspects of religion.

Theatre general manager Noam Semel told *The Jerusalem Post* yesterday that the play was now being "worked on" – as was standard practice with original plays – to prepare it for production "in light of developments" by the theatre's artistic director and the author.

Lahat launches emergency drive for T.A. hospitals

TEL AVIV (Itim). – Mayor Shlomo Lahat yesterday launched an emergency funding campaign for the three municipal hospitals, Ichilov, Rokach and Hakirya.

At a press conference, the mayor said the campaign would seek to raise NIS 1 million, which the hospitals needed to enable them to function till the end of the fiscal year.

Prof. Dan Michaeli, the director of the Surasky Medical Centre, said that if funds were not made availble to the centre within a week, he might have to put off patients waiting for elective surgery.

Gang extorts half a million from elderly lawyer

ACRE (Itim). – A gang of five men from the Galilee villages of Rama and Sejur, and two women from Carmiel, were ordered detained for 10 days by the magistrates' court here on charges of extorting over $500,000 from a 74-year-old woman lawyer from Acre.

The gang terrorized the woman for over half a year and forced her to hand over all her belongings to them. They then compelled her to accompany them to a large number of shops where she paid for expensive electronic appliances with bad cheques. Since she was a well-known figure in town, shopkeepers accepted the cheques until they mounted up to a debt of over half a million dollars. The court ordered that the lawyer be institutionalized for observation.

Psychologists gather to discuss their craft

TEL AVIV. – Humour in psychiatry, Japanese management style and its applicability in Israel, what to tell cancer patients about their condition, and how to treat victims of a terrorist attack are among the more than 200 topics to be discussed at the Psychologists Union annual conference opening today and continuing tomorrow and Wednesday at Tel Aviv University.

One paper to be presented shows that expectant parents are more tranquil about the birth when they know the child's sex, even if they would have preferred a child of the opposite sex.

Another describes work with bereaved parents, and with the classmates of those killed in the bus-train accident at Habonim junction.

Scientific conference on turbulence opens today

Over 50 foreign scientists have arrived in Israel to attend the fifth international conference on magnetohydrodynamic flows and turbulence.

The conference, the only one of its kind in the Western world, meets every three years in Israel. It opens today at the Israel Academy of Sciences and Humanities in Jerusalem and ends on Thursday evening.

Nahariya in clean-up deal with local scouts

NAHARIYA (Itim). – The local municipality has made an arrangement with the scout movement whereby local scouts will participate in clean-up drives of the city's streets in exchange for an increase in municipal funds.

Court voids school tender, MK used influence

The High Court of Justice yesterday voided a tender for the position of principal of an elementary school in the Arab village of Tira, because a Knesset member had improperly used his influence to assure the choice of his candidate for the post.

One of the participants in the tender who was not chosen, Mahmoud Abdel Hai, complained to the High Court that the candidate for whom MK Abdel Wahab Darawshe had openly lobbied had been chosen.

The court, which was headed by Justice Meir Shamgar, declared in nullifying the appointment that all such appointments must be made with full consideration for proper administrative procedures and in an honest and straightforward manner. (Itim).

This Evening and Tomorrow — Civil Defence Exercise in Ramat Hagolan

A Civil Defence exercise will be held this evening, March 2 and tomorrow, March 3 in the Ramat Hagolan sector. During the course of the exercise, there will be simulated firing and sirens will be sounded. In case of an actual alert, sirens will be sounded on an ascending/descending scale.

ma815-06-P14

The Tel Aviv-Yafo Municipality
mourns the death of
FREDRIC MANN
one of the major contributors
to the establishment of the Mann Auditorium,
a distinguished supporter of musical institutions
and a lover of mankind.

Shlomo Lahat
Mayor of Tel Aviv-Yafo

We share the grief and sorrow of
the family of
JOLANDA ARBIB
on her death.

The American Embassy Softball Team

The American-Israel Cultural Foundation
mourns the death of
devoted friend and Board member for many years
Ambassador FREDRIC R. MANN

David Samuel
Chairman of Israel Board

Our beloved
EVA KOIGEN
(née Patai)
is no more

The funeral took place on Sunday, March 1, 1987
at 12:30 p.m. at the Holon Cemetery.

Her daughters: Tirza and Alexander Taronn
Mira and Jacob Zakai
Her brothers: Prof. Raphael Patai and family
Prof. Shaul Patai and family
Her grandchildren: Dana, David, Dalia, Orna and Ofira
and all the family

My beloved husband
Eng. ALEXANDER BOGDANOVICZ
is no more.

He bequeathed his body to science.

Irena Bogdanovicz

$20m. from Iran arms sales still missing

U.S. Congress hoping to close gaps in Tower commission's report

WASHINGTON (AP). – Congressional investigators are preparing to quiz "several hundred witnesses" as they move to close gaps in the Tower Commission's report on the Iran-Contra affair.

A principal target: the trail of millions of dollars in payments for arms sales still unaccounted for and left unexplained in the Tower Commission's 300-page report.

The House and Senate investigating committees also are continuing to cooperate with the probe led by independent counsel Lawrence Welsh, while protesting his claim to exclusive rights to some of the documents bearing on the issue.

Public hearings in Congress are still several weeks away, with both the House and Senate panels now predicting a late April start.

Members of the congressional investigating committees say the Tower Commission laid a good foundation for their own work, but it concentrated mostly on what happened in the White House and the National Security Council where the secret arms sales to Iran were implemented and where Lt.-Col. Oliver North, an NSC aide, devised the plan to divert arms sales proceeds to Nicaragua's Contra rebels.

Spokesmen for the committees said their mandate is broader than that, extending to the involvement of the State and Defence Departments, the Central Intelligence Agency and others.

They noted that the commission was not able to talk to three major figures in the affair, all of whom have so far invoked their Fifth Amendment rights against self-incrimination to avoid telling their stories.

They are North, Vice-Adm. John Poindexter, the former National Security Adviser, and retired Air Force Maj.-Gen. Richard Secord, who is said to have been used by North to help ship arms to Iran and to resupply the Contras.

Committee aides said that while the Tower Commission did a good job of following the tangled trail of arms shipments, the board was not adequately able to trace the money those shipments generated – $20 million or more are missing and cannot yet be accounted for.

Staff members on the Senate investigating committee said, moreover, that while the Tower Commission interviewed 80 persons about the Iran-Contra affair, the Senate panel intends to question "several hundred persons" before the beginning of public hearings.

Asked to be more specific, one aide, who asked not to be identified by name, said about 400 people will be interviewed.

A key question is whether the committees will seek immunity for the principals – Poindexter, North and possibly Secord – to get first-hand accounts of their involvement.

Meanwhile, a poll released yesterday showed President Ronald Reagan's popularity has reached the lowest level of his presidency, with 53 per cent of Americans giving him a negative performance rating, according to a poll released Saturday.

The *Newsweek* magazine poll indicated 40 per cent of those questioned gave the president a positive performance rating.

The poll was conducted Friday, a day after the release of the Tower Commission report which portrayed Reagan as a remote and forgetful executive, unaware of what his aides were doing.

A *Newsweek* poll last October showed the president had a 29 per cent negative rating.

The latest poll, conducted by the Gallup organization in telephone interviews with 509 adults, has a margin of error of plus or minus 5 per cent.



Michael Werikhe, Kenya's "Save the Rhino" crusader, walks alongside Sam, a 7-month-old orphan rhinoceros in Nairobi's National Park Werikhe plans to walk through Europe to London to raise funds to save the rhino from extinction. Sam will not accompany him.
(Reuter telephoto)

FOREIGN BRIEFS

Nude danseuse steals show at Rio carnival

RIO DE JANEIRO (Reuter). – A woman dancer stole the show during a parade that opened the Rio carnival Friay nght by dancing naked down the parade ground.

Although the carnival is known for women dancing in revealing costumes to the beat of Samba bands, it was the first time anyone took part in the parade with nothing on. The dancer was not identified.

For the main parades today and tomorrow, some 800 police officers will be on duty.

6 dead, 85 injured in ski-lift mishap

TARBES, France (AFP). – Six skiers were killed yesterday and 85 were injured, 25 of them critically, when a ski-lift collapsed at the Luz-Ardiden ski resort in the French Pyrenees, police said here.

First reports said the accident was caused by the collapse of a cable support pylon. The identities of the casualties were not immediately known.

Tornadoes kill seven in southern U.S.

NEW YORK (AP). – An intense storm over the central U.S. spawned tornadoes in the southern state of Mississippi that killed seven people on Saturday, injured at least 145 others and left nearly 500 families homeless.

The latest casualties brought the death toll to 12 in a week of stormy weather that began in the southwestern U.S. with up to 1.5 metres of snow.

Fire destroys part of Nairobi National Park

NAIROBI (AFP). – A brush fire driven by strong winds ravaged about a fifth of Kenya's famed Nairobi National Park on Saturday. The fire is thought to have been started by farmers burning grass in their fields near the park.

The 120-square-kilometre park, created in 1947, contains more than 100 species of animals and about 400 different kinds of birds.

Human chain protest U.S. base in Spain

MADRID (AP). – Thousands of people calling for the dismantling of a U.S.-leased air base joined hands yesterday to form a human chain from the town of Torrejon de Ardoz to near the base.

Neither public officials nor police released crowd estimates. The organizers, which included the Communist Party, left-wing labour unions and peace organizations, said more than 3,000 people formed the human chain extending toward the Torrejon base.

Corsican separatists blow up tax office

BASTIA, Corsica (AFP). – Corsican separatists blew up the main tax office in Bastia, the French island's capital, late Saturday after forcibly evacuating two families that lived in the building, police said yesterday.

The police said seven heavily armed masked men broke into the building, overpowered the night-watchman, and took his wife, son and a friend hostage, as well as the wife and daughter of the tax director, who lived upstairs.

The outlawed Corsican National Liberation Front claimed responsibility in a telephone call to a radio station and said the abducted families were in a van near Casevecchiae, where police later found them.

China to Shultz: Door to West open

PEKING (AP). – Foreign Minister Wu Xueqian assured U.S. Secretary of State George Shultz yesterday that China would keep its door to the West open while remaining a socialist country.

"The forces that favour continued growth in Sino-U.S. relations are growing in strength," Wu told a welcoming banquet in the Great Hall of the People.

Shultz, the first senior U.S. official to visit China since its campaign against Western liberal ideas began, emphasized expanded commercial ties as "an important impetus for the modernization of our respective economies."

History, he said, has "shown that commercial ties can pave the way for expanding relations, for developing shared interests and for stimulating the creative energies of our people."

Shultz, who arrived yesterday for a six-day visit, said he would address the same issue at greater length in a speech tomorrow. His aides indicated that address would include a stronger ples for flexible economic and trade policies.

Indirectly urging the Chinese to continue their reform programme, Shultz quoted a statement made in 1984 by Premier Zhao Ziyang that the "key to progress 'lies in our efforts to emancipate our thinking in a bold way, to carry out reform with determination and to make new inventions with courage'."

Some U.S. officials believe that conservatives, potentially hostile to Zhao, are gaining the upper hand and may show their strength in a party congress scheduled for October.

Both Wu and Shultz mentioned the need to work at improving ties and referred warmly to the Shanghai communiqué signed by both countries 15 years ago which opened the door to relations.

Deng Xiaoping, China's paramount leader, has said the main obstacle to further improvement in relations is continued U.S. support for, and arms sales to, Taiwan.

Refugees shot, robbed after overpaying for food

Amal militia 'humiliates' Palestinians

NICOSIA (AFP). – Palestinians in Beirut's Bourj al-Barajneh refugee camp, who have been allowed out for the past 12 days to buy food, have been made to pay dearly for the privilege by the Amal Shi'ite militiamen who have held the camp under siege for four months, according to a Dutch male nurse inside the camp.

The nurse, Ben Alof, said in a telephone interview yesterday that six Palestinians had been killed, including a little girl, and 20 had been beaten or humiliated when they left the camp in the Shi'ite southern suburbs to buy food.

He said "humiliations" to which the women and young girls were subjected by militia included accompanying them to the supermarkets and making they pay two or three times the price for the goods they buy.

"When they get back, often, the militia confiscate or burn what they have bought," Alof said. "They force some of them to crawl, while they shoot them in the legs. One 13-year-old girl was gunned down like that, at the same time as two other women on Wednesday."

He said it had become "urgent" for the siege to be totally lifted and "imperative" for the bombings to cease.

"On Saturday morning, three or four hundred shells rained down on the camp," he said. "The population is terrorised. It's more than these people can stand, after all they've gone through."

Alof said the hospital where he works, with two doctors, had been hit during the violent pounding. "Two patients were wounded, including a baby, who was badly bruised."

He said hygiene in the camp was disastrous. "We haven't got many medicines we need, and we are unable to treat some illnesses effectively, such as pneumonia, influenza, gastro-enteritis and many cases of scabies."

"We cannot operate on people, who have been severly wounded, because there is no electricity – and we don't have enough fuel to get the generators going," he said, adding that Amal was stopping people bringing fuel, candles, matches or even cigarettes into the camp.

Flour and powdered milk brought in by the United Nations Relief and Works Agency were insufficient, he said. "People lack fresh food and the women bring in very little from outside."

He said people were depressed. "They can't see an end to the nightmare and they are obsessed with the idea of death."

According to the camp's hospital, 116 people have died since the siege began on October 29.

The camp is "in ruins," said Alof, who estimated that 60 per cent of the camp's dwellings had been destroyed by shells. At neighbouring Shatilla camp, the destruction is even greater.

"The population is asking what is going to happen to them. Will they be able to stay here if there is a cease-fire? Could they rebuild the camp? Some of them have already decided to leave Beirut as soon as the roads are safe."

New battle for Basra: Both sides claim gains

BAHRAIN (Reuter). – A major battle raged between Iraqi and Iranian forces near the strategic southern Iraqi city of Basra yesterday, three days after Teheran declared it was ending a major offensive in the area.

Both sides claimed victory and accused the other of starting the fighting.

An Iranian military statement issued in Teheran said the battle began when Iraqi troops advanced on Iranian positions late Saturday east of Basra, Iraq's second city.

It said the Iraqis did this on the assumption that Iranian forces were no longer as alert as they were during their seven-week-long offensive which ended on Thursday.

The Iranian statement said the battle resulted in four smashed Iraqi brigades, 1,500 Iraqis dead or wounded, and the destruction of 45 tanks and other armoured vehicles.

Teheran said the Iranians advanced into Iraqi lines west of man-made Fish Lake, located 10 kilometres east of Basra, and captured one of Iraq's strongest fortifications.

Baghdad said the battle started when three divisions of Iranian Revolutionary Guards rushed Iraqi positions expecting the Iraqi guard to be down following Teheran's announcement that its offensive was over.

Air Marshal Hameed Shaaban, head of the Iraqi Air Force, accused Israel and the U.S. of supplying Iran with new warplanes, as well as helping to maintain their existing force.

"We possess certain information that Zionist experts and others from imperialist states have worked for a long time in repairing the enemy's F-4, F-5, and F-14 jets and supplying him with new aircraft and weapons," he told the Defence Ministry daily *Al-Qadissiya*.

Lebanon's Moslem, Druse leaders agree to Syria's plan to end war

DAMASCUS (Reuter). – Lebanese Moslem and Druse leaders said they had agreed yesterday to a new Syrian-brokered plan to end the 11-year-old civil war in Lebanon.

"We wish further discussions between Syrians and Lebanese to be in the light of this agreement, which will lead us out of our impasse," Lebanese Prime Minister Rashid Karami told reporters.

Karami spoke after a third round of talks between top Syrian officials and Lebanese leaders that also included Druse leader Walid Jumblatt and Shi'ite Moslem Amal militia leader Nabih Berri.

Syria bosted the talks in a bid to build on its successful crackdown on warring militias in Moslem West Beirut.

Political sources said the new agreement resembled a December, 1985 peace accord signed by Christian and Moslem militia representatives but which failed after stiff opposition from president Amin Jemayel and other Christian leaders.

It was not clear if Jemayel had approved the new Syrian plan. But the sources said some constitutional concessions proposed by Jemayel had been taken into account.

Diplomatic sources said Jemayel's most recent proposals recognized a "distinguished" Syrian relationship with Lebanon – an official Syrian demand. He also suggested certain alterations in Moslem-Christian power-sharing arrangements.

Meanwhile, Agence France-Presse reported that the Syrian Army appeared to be trying yesterday evening to extend its new west Beirut security drive to the Syrian-controlled Bekaa Valley and the north Lebanese city of Tripoli.

The Syrians ordered the closure of all militia offices there, including those of pro-Syrian militias, and banned the carrying of arms, the agency said.

AFP also reported that 250 Syrian reinforcements had arrived at the Khalde Junction, 16 km south of Beirut, en route to the capital. The report did not state if yet more reinforcements for the 7,000-man Syrian force in Beirut were expected.

Meanwhile, Iranian leaders yesterday warned against further Syrian clampdowns on the pro-Iranian Hizbullah militia, which clashed violently with Syrian troops.

Ahmed Azizi, chairman of the Iranian Parliament's Foreign Affairs Committee said that the Syrian security plan for Lebanon "should leave the path free for Islamic forces struggling against Zionist repression."

Iran's Foreign Minister Ali Akbar Vilayati added, "There is no country in the world that has more influence in Lebanon than Iran." He warned Syria to be careful lest it "drown in the sands of Lebanon."

Argentine officer accused of torturing baby

BUENOS AIRES (Reuter). – An Argentine court yesterday accused a coast guard officer awaiting trial for human rights abuses of giving electric shocks to a 20-day-old baby to make its father talk.

The Federal Court said Juan Azik, known as "Piranha," had been recognized by Carlos Lordskipanidse as the man who gave his child several shocks during a torture session at the Navy School of Mechanics (Esma).

The court said Lordskipanidse had also accused Navy Lieutenant Alfredo Astiz of torturing him at the notorious Esma detention centre which operated during the military regime that ended in 1983. The accusations against Astiz and Azik were made in a list of charges against 12 officers, ordered to be detained Saturday, issued by the court.

The officers, including four retired admirals, are accused of torture and other human rights abuses during eight years of military rule which ended in 1983.

The court accused navy commanders of "apprehending suspects, keeping them in clandestine captivity under inhuman conditions, and submitting them to torture with the purpose of obtaining information... or physically eliminating them."

Esma detainees are among the more than 9,000 people who disappeared during the military's "dirty war" against leftist subversion in the late 1970s and early 1980s.

Among Esma's former commanders are ex-junta members Armando Lambruschini and Emilio Massera, who are serving terms of life imprisonment and 17 years respectively for human rights abuses.

Nearly 200 indictments charging human rights abuses were brought before a law barring new cases against members of the armed forces for rights abuses took effect last week.

Court sources said the charges against Astiz do not include his alleged kidnapping in 1977 of two French nuns because the statute of limitations had run out.

For the same reason a court last December passed no sentence on Astiz despite finding him guilty of the kidnapping of Swedish teenager Dagmar Hagelin in 1977.

Communists demand reform: Aquino amnesty 'not enough'

MANILA (Reuter). – A former guerrilla leader yesterday said President Corazon Aquino's offer of amnesty was not enough to coax Communist rebels down from the hills.

"It won't work. The offer will be cold-shouldered by my brothers in the hills," Bernabe Buscayno, co-founder of the New People's Army (NPA) told reporters.

Buscayno, who used the alias "Commander Dante" as a rebel leader, said the amnesty was a hollow gesture without political reforms, such as legalization of the Communist Party.

The government has not ruled out eventually legalizing the party but rebel leaders say this is not enough to make them renounce armed struggle.

Aquino on Saturday offered full amnesty to anti-government rebels if they surrendered within six months. She said returning rebels could get money for their guns and training to help them find work.

An official of the leftist coalition National Democratic Front (NDF) said an amnesty alone would not help in reaching a political settlement and that the government misjudged the NPA.

Israel's conditions hinder talks, Jordan daily says

AMMAN (Reuter). – A Jordanian paper said yesterday that preconditions set by Israel for a Middle East peace conference were a hindrance to the peace process.

As the main aim of the peace conference is to achieve a just, permanent and comprehensive peace, the idea of holding it should not be subject to bargaining and pre-conditions, and putting the cart before the horse in pushing," *Sawt al-Sha'b* said.

The daily was referring to Friday's joint Egyptian-Israeli call for the peace conference made in Cairo at the end of a visit by Foreign Minister Shimon Peres.

"...The parties who do not desire true peace are careful to put one obstacle after another before the possibilities of holding it... Therefore it is the duty of all states and international power centres to avoid falling into the trap of details and preconditions which Israel and the U.S. are attempting to place in its path," the paper said.

Jordan maintained formal silence on the Egyptian-Israeli talks, but political analysts in Amman said they broke no new ground since last September, when the two countries advocated the conference and agreed to set up a preparatory meeting – criticized by Jordan at the time.

Diplomats said any substantive official comment on the subject was unlikely while King Hussein was out of Jordan. The king is on a private visit to Austria and is expected in West Germany on Thursday.

Thousands flee intense fighting in north Sri Lanka

COLOMBO (AFP). – Thousands of civilians have fled fierce fighting between government troops and Tamil separatists around Kattuwan in northern Sri Lanka, that claimed at least 19 lives Saturday, sources said yesterday.

A member of the Jaffna Citizens' Committee said nearly 4,000 people from Kattuwan, Tellipalai and neighbouring areas had left their homes to escape clashes on the Jaffna peninsula.

No casualties were reported as the fighting continued yesterday.

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Fredric Mann–patron of music

The late Fredric Mann left a deep imprint on the cultural and musical life of Israel.

Known to Israelis for Tel Aviv's Mann Auditorium, the American philanthropist was closely associated with this country throughout his life, both as a friend and a giver.

Born in the small Russian town of Gomel in 1903, Mann arrived with his family in the United States at the age of two and grew up in Connecticut. In 1921 he moved to Philadelphia.

As a boy, Mann showed unusual musical talent; but a hand injury, suffered in a car accident, put an end to his piano studies.

He attended Yale, graduated from the University of Pennsylvania in 1924, and went into business.

He built up the National Container Corporation, one of the largest packaging firms in the world.

His meeting in 1936 with Bronislaw Huberman and Arthur Rubinstein marked a turning point in his life. From then on he dedicated himself to promoting music and Israeli culture. He helped found the Palestine Philharmonic Orchestra and aided Jewish musicians fleeing from Nazi Germany.



Fredric Mann

He first came here in 1949, and after attending a concert of the Israel Philharmonic at the Ohel Shem building in Tel Aviv, decided that the Israeli public deserved better facilities. Though his local investments were much needed in those early days of statehood, he felt he could best help in the cultural sphere.

His donation, made in 1952, to Tel Aviv's Mann Auditorium and Municipal Cultural Centre was the single largest private contribution. It generated interest in American fund-raising and the opening of the centre in 1954 was a major event. Few knew then that it was only one of his manifold activities.

Mann was also vice-president and lifelong supporter of the American Committee for the Weizmann Institute of Science, and one of the founders of the American Fund for Israeli Institutions. In 1965 he bought for Israel for an undisclosed five-figure sum the 4,100-year-old bust of the Sumerian King Gudea of Lagash.

His American public functions included serving as a member of the U.S. Mint Assay Commission, director of commerce and city representative of Philadelphia, and Pennsylvania state government commissioner of the Delaware River Port Authority. In 1967, President Johnson appointed him the first U.S. ambassador to Barbados and special representative to the Caribbean islands.

Mann was also director of the Albert Einstein Medical Centre, the Federation of Jewish Charities, Hias and other Jewish charities.

In 1982, the Israel Philharmonic Orchestra, of which he was an honorary member, feted him on the 25th anniversary of the Mann Auditorium.

Violinist Isaac Stern once dubbed him "the human whirlwind." This was indeed an appropriate description of the multi-millionaire, music-lover and perfectionist whose energy, goodwill and enthusiasm were proverbial both in Philadelphia and in Israel.

Alexander Zvielli

$5 million being raised for 'Village of Good Hope'

Abie Nathan plans village in the Negev to help drug addicts

By BERNARD JOSEPHS
Jerusalem Post Reporter

Some 300 drug addicts are to live kibbutz-style while trying to kick the habit in a village being planned by peace campaigner Abie Nathan.

Nathan chairs a group called Village of Good Hope, which is campaigning to raise $5 million here and abroad to finance the project. The centre is to be situated in the Negev, south of Sde Boker.

Details of the scheme were revealed at a special conference on drug abuse that took place recently at President Herzog's Jerusalem residence.

Nathan is backed by a board including several doctors, a rabbi and a number of public figures.

The village, he said, would be based on modern, therapeutic communities for drug addicts such as exist in the U.S. and other Western countries.

The aim is to wean addicts from drugs, teach them skills and encourage qualities such as honesty, non-violence and self-reliance.

Thirty medical, legal and other workers will live alongside the addicts at the village which, Nathan said, will run on the principles of a kibbutz.

"Thousands of former drug abusers and criminal offenders [abroad] now live productive lives as a consequence of their stay in a therapeutic community" he said.

"The cost of keeping a client at such a centre is modest compared with other institutions that provide residential care."

Addicts residing at the village will receive no drugs from the moment they arrive, said Nathan, describing the treatment. Patients are to undergo 60 days of medical and psychological testing before beginning individual and group therapy. The process may take up to six months.

Finally the patient will start ro re-enter society by working in the village and possibly going home on visits.

Nathan's group is also planning a programme of prevention through posters, stickers and badges saying "No to drugs."

Nathan, who runs the Voice of Peace radio ship, said that, according to figures he had seen, some 15,000 Israelis are addicted to hard drugs. This problem must now receive top priority.

"Unfortunately, there are no serious rehabilitation institutions for drug addicts in Israel. [In fact] on the scale of rehabilitation programmes for hard-drug addicts, Israel is probably last on the list," he said.

"We must arrest those who sell drugs and reach out to help those who use them, help them quit and give them the support they need to live right. It is our hope that through communication, healing and prevention we can... create a climate for a drug-free generation."

Lev Blitshtein joins his family in U.S.

Veteran refuseniks now being allowed to leave USSR

By WALTER RUBY
Jerusalem Post Correspondent

NEW YORK. – Soviet authorities are now allowing a number of refuseniks to emigrate who had been prevented from doing so in 1979 when East-West relations went into deep freeze following the Soviet invasion of Afghanistan.

This is the contention of Lev Blitshtein, a former chief administrator in the Soviet Ministry of Meat and Dairy, who rejoined his family here late last week after a separation of nearly 12 years.

But there is no evidence, says Blitshtein, that the Soviets will allow the emigration of even longer-term refuseniks who have been held in the USSR for more than 10 years because of "secrets."

Noting that he himself had been held for more than 10 years because of his knowledge of meat and poultry technology, Blitshtein asks, "Can you imagine what they will do to people who are waiting because of [knowledge of] radio sets or computers?"

Blitshtein adds that he is the only so-called possessor of secrets to be released in recent months. He believes the Soviets decided to release him because "the world was laughing about my case..there were rumours that I know secrets about how to prepare sausage without meat. Maybe this rumour came to Kremlin and they decided to give me permission."

Blitshtein was greeted at the airport by his wife, children, and three grandchildren he had never seen, and an emotional crowd of about 50 American Jews, many of whom had visited him in his apartment in Moscow.

A warm and gregarious man who long served as one of the key contact people for Western visitors seeking to meet with refuseniks, Blitshtein divorced his wife in 1975 in order to allow her and his children to leave the country. They flew to the U.S. in 1976.

Blitshtein had 25 requests to leave turned down before finally receiving permission last month.

While he feels "very excited" to be reunited with his family, "my heart was broken when I left hundreds of my friends at Moscow Airport last week," he says. "I felt so guilty when I looked into their eyes."

Blitshtein believes that Gorbachev's glasnost campaign is a "big show," and refuseniks in the Soviet Union now face "a very dangerous situation."

He says that refusenik Natasha Beckmann suffered internal injuries from a beating she received by presumed KGB agents during a Moscow demonstration earlier this month on behalf of Yosef Begun.

Refusenik Natasha Khassina is constantly being trailed by KGB agents, and her daughter and son-in-law, who had been promised an exit visa, were subsequently refused permission to leave because of "secrets" supposedly learned by Khassina on her job 18 years ago.

According to Blitshtein, "none of those who have been refused because of so-called secrets believe they will receive permission to leave."

He notes that many refuseniks have sons who are now being forced into army service, thus virtually assuring that they and their parents will not be allowed to leave.

Asked how he had kept up his spirits during his long years of separation from his family, Blitshtein replies that whenever he had visitors from the West, "I began to laugh [with them]...We even would drink a little with our visitors. It's not that we like to drink so much, but it's an opportunity to relax."

Asked what he plans to do professionally in the U.S., Blitshtein jokes: "After 13 years, I wanted to remember my profession, so during my last week in Vienna, from early morning to early evening I was eating hot dogs. Maybe it will help me."

'Cultural centre for Jewish people'

A visionary's dream for Moshav Neve Ilan

By HAIM SHAPIRO, Jerusalem Post Reporter

To the untrained eye, Neve Ilan appears to be a fairly typical settlement with a guest house in the Judean Hills. But to Hertzel Fishman, it is a cultural and spiritual centre for the Jewish people.

Neve Ilan is undoubtedly unique. A moshav *shitufi* whose members come from a wide variety of backgrounds, it is perhaps the only community with a guest house that has stuck to the principle of not hiring outside workers.

It is also apparently one of the few settlements where religious and non-religious live together in complete harmony. The non-religious members are scrupulous in seeing that no public work is carried out on Shabbat.

This may be quite far from a world centre, but for Fishman, an educator and member of the executive of the World Zionist Organization, it is a start. He has already organized a public body, with such figures as Emmanuel Rackman, Elie Schweid, Abraham Harman and Mordechai Gazit to help him in this endeavour.

Fishman models his vision on the Chattauqua Institute in upstate New York, where every summer thousands of Americans participate in a wide variety of cultural activities. But while it will subscribe to "universal values," the Neve Ilan centre will be oriented towards the Jewish people – Klal Yisrael, not Orthodox, Conservative or Reform."

Participants will attend lectures, meet authors and other personalities, learn at art workshops, participate in and listen to music ensembles, organize folklore events and film festivals and take part in sports events.

It will be a place where Jew and Arab, Ashkenazi and Sephardi, and members of all religions can come together.

"The Jewish communities of the world have no place that belongs to them and that they can benefit from," Fishman says, noting that even Project Renewal, one of the most successful efforts to create a bridge between Israel and the Diaspora, is largely a one-way street of aid to underdeveloped communities.

In particular, Fishman sees Neve Ilan as a place where converts to Judaism and their families will come to gain a greater understanding of the meaning of Jewish life.

"They were converted to the Jewish religion, but not Jewish culture," he notes, adding that groups of tourists, both Jewish and non-Jewish, could gain a greater understanding of Judaism and Israel from a stay at the proposed centre, as could new immigrants from around the world.

In addition to Fishman's public body, there is a steering committee representing the members of Neve Ilan. Two members of this committee, Barak Fiedelman and Gershon Gross, say the 60 families who make up the settlement are very enthusiastic about the proposal.

The few who originally opposed the proposal were mainly concerned that the settlement did not have enough members to carry it out without bringing in outside workers.

Fiedelman and Gross recall that when the settlement was originally set up, its members had hoped that it would serve as a cultural centre for the area; and in fact until last year, when the withdrawal of public support forced its closure, an art studio was operated for the children and adults of the region.

Another enthusiastic backer of the proposal is Uzi Pero. Unlike the majority of the members, who come from English-speaking countries, Pero was born and raised in the poorer neighbourhoods of Jerusalem.

For Pero, the proposed centre could provide the opportunity for the addition of much-needed sports facilities for the moshavniks.

Fishman is about to leave for the U.S., where he hopes to interest Jewish Federations in his vision and to set up groups to help make it a reality.



Lebanese women harvesting hashish in the eastern Bekaa Valley. (Reuter)

Syrians cracking down on hashish growers in Lebanon's Bekaa Valley

BAALBEK, Lebanon (AFP). – A new battle has begun in Lebanon. Syria has declared war against the drugs industry in the Bekaa Valley, where farmers cultivate poppies and hemp, the raw materials for opium, heroin and hashish.

The Syrian Army, which maintains the bulk of its 30,000 Lebanon-based troops in the valley, last week arrested 11 growers and ordered all others to destroy their crops, correspondents in the region reported.

The troops threatened to take further action if the growers did not comply with what is the first offensive on drugs since the Syrians first arrived in the Bekaa Valley 11 years ago, the correspondents said.

Hemp, from which hashish is produced, has been grown in the Bekaa since the beginning of the century. It has turned into a veritable institution, as the eastern part of the valley escaped government control even well before the civil war began in 1975.

The poppy crop is on a smaller scale – seedlings were introduced in 1983 by Turkish smugglers, and four years later they cover only a limited area on the southern slopes of the valley.

Unlike hashish, which is easily marketed by small farmers, the poppy requires special care and costly laboratories to process the raw crop into heroin.

Anger is mounting among the thousands of families who live off these two crops and who now fear losing their livelihood in a country whose economy has been reduced to shambles by the civil war.

Some farmers have decided to lie low to escape Syrian reprisals while others are resigned to destroying their crops, at least partially to show their goodwill to the Syrians.

"I have invested all my savings in opium this year and I cannot let my children die of starvation," said one farmer. He said he planned to destroy 15 dunams of the 200 dunams of opium he grows on his farm.

Abu Ali, a farmer in his 60s, said: "Last years's crop was bad because of the drought and we were counting on this year to catch up. But after the law of nature, here comes the law of the Syrians."

The Lebanese authorities are keeping a low profile in this new war.

Even before the civil war broke out in 1975, they ignored the drug business which benefited from alleged official "protection," particularly from the region's deputies who were known as drug traffickers.

TODAY'S ENTERTAINMENT

TELEVISION

EDUCATIONAL TV
8.00 Teletext **8.03** Keep Fit **8.15** School Broadcasts**14.00** Teletext **14.03** Keep Fit **14.15** Making Magic **14.40** Surprise Train **15.10** Family Problems **15.55** Keep Fit **16.05** Five Mile Creek (part 16) **17.00** A New Evening – live magazine

ISRAEL TV
CHILDREN'S PROGRAMMES
17.30 Alice in Wonderland
17.55 Youth Concert – the Jerusalem Symphony Orchestra play works by Bach and Mozart
ARABIC-LANGUAGE PROGRAMMES
18.30 News roundup
18.32 Programme Trailer
18.35 Sports
19.30 News
HEBREW PROGRAMMES resume at
20.00 with a news roundup
20.02 That's Incredible
20.50 Beauty Spot – tips on hikes and trips
21.00 Mabat Newsreel
21.30 Three Up, Two Down – BBC comedy series, starring Angela Thorne, Michael Elphick, Lisete Anthony and Ray Burdis
22.00 This is the Time
22.50 Spenser: For Hire – American suspense series, starring Robert Urich and Avery Brooks
23.35 News

JORDAN TV (unofficial)
17.30 Cartoons **18.00** French Hour **19.30** News in Hebrew **20.00** News in Arabic **20.30** Executive Stress **21.10** Rage of Angels **22.00** News in English **22.20** Specials

MIDDLE EAST TV
13.30 Another Life **14.00** 700 Club **14.30** Shape-Up **15.00** Afternoon Movie: The Last Sunset**16.30** Heathcliff **17.00** Super Book **17.30** Muppets **18.00** Happy Days **18.30** Laverne & Shirley **19.00** News **20.00** Magnum P.I. **21.00** Movie: Front Page **23.00** 700 Club

RADIO

Voice of Music

6.02 Morning Melodies
7.09 Bach: Brandenburg Concerto No.5; Reicha: Quintet for Wind Instruments Op.88 (Reicha); Mendelssohn: Violin Concerto; Weber: Symphony No.1

9.00 Dvorak: String Quintet; Mozart: Piano Concerto No.13 (Barenboim, English Chamber); Arriaga: Symphony in D; Saint-Saens: Concerto No.1 for Cello and Orchestra

12.00 Bach: Sonata No.3 for Viola De Gamba (Benyamini, Laks); Beethoven: Quartet Op.53 No.1 (Tel Aviv)

13.05 Beethoven: Piano Quintet; Offenbach: Gaite Parisienne; Stravinsky: Pulcinella
15.00 Music Appreciation

16.00 *Israel Philharmonic Orchestra* under Zubin Mehta – Mahler: Symphony No.2

18.00 Emphasis on the Performance
19.00 Wind Instrument Orchestras
20.05 Musical Medley

20.30 Messiaen: "Des canyons aux etoiles" for Piano and Orchestra
22.30 "Then and Again"
23.00 Faure: Songs; Liszt: "Années de pelerinage"

First Programme

6.03 Programmes for Olim
7.30 Programme in Easy Hebrew
8.05 Compass – with Benny Handel
9.05 Information for Listeners
10.05 Morning Pearls
11.10 School Broadcasts
11.30 Folksongs
12.05 Mid-East Medley
13.00 News in English
13.30 News in French
14.05 *Children's programmes*
15.30 Education for all
16.05 A Place in the Middle
17.20 Everyman's University
18.05 Jewish Traditions
18.50 Bible Reading
19.05 Reflections on the Portion of the Week
19.30 Programmes for Olim
22.05 Every Man has a Star – with astrologist Ilan Pecker

Second Programme

6.12 Gymnastics
6.30 Editorial Review
6.53 Green Light – drivers' corner
7.00 This Morning – news magazine
8.05 Making an Issue
9.05 House Call – with Rivka Michaeli
10.05 All Shades of the Network
11.30 Safe Journey
12.10 O.K. on Two
13.00 Midday – news commentary, music
14.05 Humour
15.05 Magic Moments
16.05 Songs and Homework
17.05 Economics Magazine
18.05 Free Period – education magazine
18.45 Today in Sport
19.05 Today – radio newsreel
19.35 Law and Justice Magazine
20.05 Cantorial Hit Parade
22.05 Jazz Corner
23.05 Night Games

Army

6.05 University on the Air
6.30 Open Your Eyes – songs, information
7.07 "707" – with Alex Ansky
8.00 Good Morning Israel
9.05 In the Morning – with Eli Yisraeli
10.05 Coffee Break
11.05 Right Now – with Rafi Reshef
13.05 Daily Meeting – with Orly Yaniv
15.05 What's Doing – with Eraz Tal
16.05 Four in the Afternoon
17.00 Evening Newsreel
18.05 Military Literature Magazine
19.05 Hebrew songs
20.05 Books Gentlemen Books (repeat)
21.00 Mabat – TV newsreel
21.30 University on the Air
22.05 Popular songs
23.05 The 24th Hour
00.05 Night Birds – songs, chat

REPORT SUSPICIOUS OBJECTS

CINEMA

JERUSALEM
Alliance Francaise: Serie Noire 8:30; **Beit Agron:** F/X 4:30; Haunted Honeymoon 6:30; Heartburn 8:15; Straw Dogs 10:00; **Cinematheque:** Wartime Romance 7; Un Condamne a Mort est Echappe 7; Written on the Wind 9; Short films 9:30; **Eden:** Running Scared 4:30, 7, 9; **Edison:** Fire Walker 4:30, 7, 9; **Hebira:** A Breed Apart 5:15, 7:15, 9:15; **Jerusalem Theatre:** Ginger and Fred 6:45, 9:15; **Kfir:** Some Like It Hot 4:30, 7, 9; **Mitchell:** Bouba 7, 9; **Orgil:** Blue Velvet 4:30, 6:45; 9:15; **Orion Or 1:** Crocodile Dundee 4:30, 7, 9; **Orion Or 3:** American Werewolf in London 4:30, 7, 9; **Orion Or 4:** Et la Tendresse? ...Bordel 7; 9; Commando Leopard 4:30; **Orion Or 5:** A Fine Mess 4:30, 6:45; The Color Purple 8:30; **Orna:** Instant Justice 4:30, 7, 9; **Ron:** Dreamscape 4:30, 7, 9; **Semadar:** My Beautiful Laundrette 7, 9:15.

TEL AVIV
Beit Leissin: Bananas 11:15 p.m.; **Ben-Yehuda:** Some Like it Hot 4:30, 7:15, 9:30; **Chen 1:** Heartbreak Ridge 4:30, 7, 9:30; **Chen 2:** Joshua Then and Now 7:25, 9:45; **Chen 3:** Malcolm 5, 7:30, 9:40; **Chen 4:** Blue Velvet 11, 2:35, 5, 7:30, 9:45; **Chen 5:** Ruthless People 11, 2, 5, 7:30, 9:45; **Cinema One:** Bouba 4:30; 7:15, 9:30; **Cinema Two:** Top Gun 4:30, 7:15, 9:30; **Dekel:** Crocodile Dundee 7:15, 9:30; **Dizengoff 1:** The Mission 11, 1:30, 4:45, 7:15, 9:40; **Dizengoff 2:** The Decline of the American Empire 11, 1:30, 4:45; 7:15, 9:40; **Dizengoff 3:** A Room With a View 11, 1:30; 4:45; **Drive-In:** Hot Target 7:30, 9:30; Sex film 12 midnight; **Esther:** The Fly 5, 7:15, 9:40; **Gat:** Jumpin' Jack Flash 5, 7:15, 9:40; **Hakolnos ZOA House:** Ginger and Fred 4:30, 7:15, 9:30 (exc. Wed.); **Hod:** Running Scared 4:30, 7:15, 9:30; **Israel Cinematheque:** Buster Keaton – part A, 7; Il Portiere di Notte 9:30; **Lev 1:** The Mosquito Coast 2, 5, 7:15, 9:40; **Lev 2:** Summer 2, 5, 7:40, 9:40; **Lev 3:** Choose Me 2, 5, 9:40; **Lev 4:** Orion Belt 2, 5, 7:40, 9:40; **Limor Hamehudash:** Peggy Sue Got Married 4:30, 7:15, 9:30; 9½ Weeks 2; **Maxim:** Back to School 4:30, 7:30, 9:30; **New Gordon:** Violets are Blue 4:30; 7:15, 9:30;**Orly:** closed for renovations; **Paris:** Throne of Blood 12, 2, 4, 7:15, 9:30; **Peer:** Deadly Game 4:30, 7:15, 9:30; **Shahaf:** Hannah and Her Sisters 4:30, 7, 9:30; **Sivan:** My Third Problem 5, 7:30, 9:40; **Tamuz:** Supergrass 7:30; 9:40; **Tchelet:** Round Midnight 4:30, 7, 9:35; **Tel Aviv:** Fire Walker 4:30, 7:15, 9:30; **Tel Aviv Museum:** Shoah (I) at 1; Shoah (II), 6:30 (Mon. only); True Stories 7:30, 9:30; **Zafon:** Reopening soon with "Name of the Rose."

HAIFA
Amphitheatre: Manhunt 4:30, 7, 9:15; **Armon:** The Fly 4:30, 6:45, 9; **Atzmon 1:** Mosquito Coast 4:15, 6:45, 9:15; **Atzmon 2:** Hot Target 4:45, 7:15, 9:30; **Chen:** Jumpin' Jack Flash 4:30, 6:45, 9; **Keren Or Hamehudash:** Brother From Another Planet 4:30, 7; 9:15; **Orah:** Bouba 4:30, 7, 9:15; **Orly:** Trouble In Mind 7, 9:15; **Peer:** Crocodile Dundee 4:30, 7, 9:15; **Rav-Gat 1:** Armed and Dangerous 4:30, 7, 9:15; **Rav-Gat 2:** Peggy Sue Got Married 4:30, 7, 9:15; **Ron:** Fire Walker 4:30, 6:45, 9; **Shavit:** My Beautiful Laundrette 7, 9.

RAMAT GAN
Armon: Heartbreak Ridge 4:30, 7, 9:40; **Lily:** Back to School 4:30, 7:15, 9:30; **Oasis:** Rocky Horror Picture Show 7:15, 9:40; **Ordea:** Bouba 7:15, 9:30; **Rav-Gan 1:** Jumpin' Jack Flash 5, 7:35, 9:45; **Rav-Gan 2:** A Room With a View 4:45, 7, 9:40; **Rav-Gan 3:** Malcolm 5, 7:15, 9:40; **Rav Gan 4:** Joshua Then and Now 5, 7:20, 9:40.

HERZLIYA
Dan Accadia: Hannah and Her Sisters 7, 9:30; **Daniel Hotel:** Avanti Popolo 7:15, 9:30; **David:** Raw Deal 4:30, 7:15, 9:30; **Hechal:** Avenging Force 4:30, 7:15, 9:30; **New Tiferet:** Heartbreak Ridge 7, 9:30.

HOLON
Armon Hamehudash: Echo Park 7:15, 9:30; **Migdal:** Blue Velvet 7:15, 9:30; **Savoy:** Avenging Force 4:30, 7:15, 9:30.

BAT YAM
Atzmaut: Fire Walker 4:30, 7:15, 9:30.

GIVATAYIM
Hadar: Fire Walker 4:30, 7:15, 9:30.

RAMAT HASHARON
Kochav: Aliens 7, 9:30.

PETAH TIKVA
G.G. Hechal 1: Fire Walker 4:30, 7:15, 9:30; **G.G. Hechal 2:** Avenging Force 4:30, 7:15, 9:30; **G.G. Hechal 3:** A Room With a View 4:30, 6:50; 9:30.

KIRYAT ONO
Community Centre: Heavenly Bodies 6:30; Water 9.

WHAT'S ON

Notices in this feature are charged at NIS 8.15 per line, including VAT. Insertion every day of the month costs NIS 163.30 per line, including VAT, per month.

JERUSALEM
Museums

ISRAEL MUSEUM. Exhibitions: Tamara Rikman: The Bewitched Shore, tempera and lacquer paintings of Givat Aliya-Jaffa (opens 3.3 at 8 p.m. ◊ Yehazkel Streichman, comprehensive show of oils, 1940's to present ◊ Ketef Hinnom, includes priestly blessing (until 2.3) ◊ New York Now, Six New Generation New York City Artists ◊ Animals in Ancient Art (Rockefeller) ◊ Ancient Glass Exhibit ◊ Bethlehem Embroidery, dresses and costume parts ◊ Flowers, Fruit and Trees, photographs by Shai Ginot (until 15.3) ◊ Illustrations in Modelling Clay, book illustrating by Rony Oren ◊ Islamic Art (Paley Centre, opp. Rockefeller) ◊ Permanent exhibitions of Archeology, Judaica and Ethnic Art.
VISITING HOURS: Main Museum 10-5. At 11: Guided tour of Museum in English. 3: Guided tour of Archaeology galleries in English. 3: Making Hats for Purim, workshop with Sonia Ross.

L.A. MAYER MUSEUM FOR ISLAMIC ART. Visiting hours: Sun.-Thurs. 10-1; 3:30-6. Fri. closed. Sat. and holiday eves 10-1. 2 Hapalmach St., Tel. 661291/2. Bus No. 15.

Conducted Tours

HADASSAH – Hourly tours of the Chagall Windows at Kiryat Hadassah on the half hour. * Information, reservations: 02-416333, 02-446271.

HEBREW UNIVERSITY
English tours daily Sunday through Thursday: 1. Mount Scopus, 11 a.m. from the Bronfman Reception Centre, Administration Building. Buses 9, 28, 4a, 26 & 23 to the first underground stop 2. Givat Ram Campus, 9 & 11 a.m. from the Sherman Building. Buses 9, 28, & 24. Tel. 882819.

AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – 8 Alkalai Street, Jerusalem. Tel. 02-699222.

TEL AVIV
Museums

TEL AVIV MUSEUM. Exhibitions: Sitings ◊ Oskar Kokoschka, 1886-1980. Selection of Prints and Albums. Trends in Geometric Abstract Art ◊ Edvard Munch, prints: Death, Love and Anxiety ◊ VISITING HOURS: Sun.-Thur. 10-2, 5-9. Sat. 11-2, 7-10; Fri. closed. **Helena Rubinstein Pavilion: Exhibition:** David Hockney Photocollages. **Visiting Hours:** Sun.-Thur. 10-2; 5-9. Sat. 11-2; 7-10 Fri. closed.

Conducted Tours

AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – Tel Aviv, Tel. 220187, 233154.
WIZO. To visit our projects call Tel Aviv, 232939; Jerusalem, 226060; Haifa, 388817.
ORT. To visit our technological High Schools call Jerusalem 533141; Tel Aviv 396171, 233231, 240529; Netanya 33744.
PIONEER WOMEN – NA'AMAT. Morning tours. Tel Aviv, 210791, Jerusalem 244878.

HAIFA
Museums

HAIFA MUSEUM. 26 Shabbtai Levy St. Tel. 04-523255. Exhibitions:**Modern Art:** Facing the Mirror – The Israeli Caricature, Now. **Ancient Art** – Jewish coins of the Second Temple Period, Egyptian textiles, terracotta figurines. **Music & Ethnology:** world paper cuts. **Open:** Sun.-Thur. & Sat. 10-1; Tues., Thur. & Sat. also 6-9. **Ticket also admits to National Maritime, Prehistoric and Japanese Museums.**
WHAT'S ON IN HAIFA, dial 04-640840.



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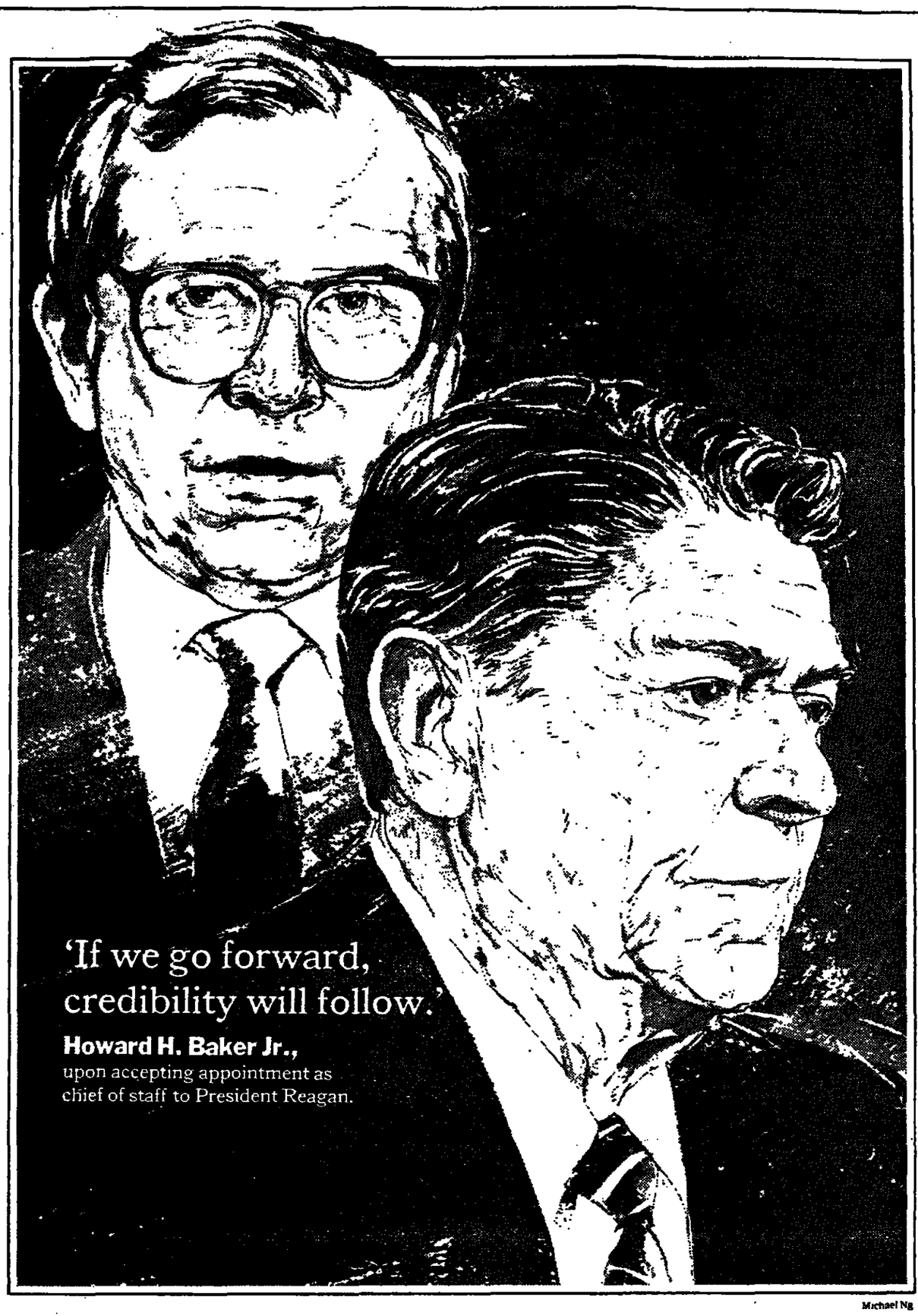
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WEEKLY REVIEW

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Changing The Guard



Michael Ng

Stung by Report, Reagan Is Trying To Set New Course

By R. W. APPLE Jr.

WASHINGTON

"THE problem, at the heart, was one of people, not of process. It was not that the structure was faulty. It was that the structure was not used." Brent Scowcroft, a deceptively mild-mannered Mormon, a retired Air Force general who served as national security adviser to Gerald R. Ford, used those words last week to summarize the findings of the special Presidential board that had just issued a damning indictment of the Reagan Administration's policies in the Iran-contra affair.

Mr. Scowcroft and his two colleagues on the panel, former Senator John Tower of Texas, the chairman, and former Senator Edmund S. Muskie of Maine, agreed after weeks of work that no changes in the apparatus of government would prevent a recurrence. Any attempt to tell Presidents precisely how to use the National Security Council, they said, would either destroy the system or lead Presidents to set up new systems to circumvent it.

Each President, the three men said, must choose how to use the council in making momentous decisions about the national security, and each must be given great, but not infinite, latitude. They made a powerful case that Mr. Reagan's method could not and did not work. That, they argued, was because he chose the wrong people, who failed him, and because he himself, following his long-established practice, had set the broad policy priorities and then let his attention wander, failing disastrously to follow through.

"Setting priorities is not enough," the board said sternly, "when it comes to sensitive and risky initiatives that directly affect United States national security." Mr. Reagan has not given a direct reply; that is expected in a televised speech this week. But there were two signs that he intended to try to mend his ways — no easy task for a 76-year-old man who has spent six years in the White House, never liked detail work, and is only now suffering the first sustained political adversity in his long career.

First came the comment of former Senator Paul Laxalt of Nevada, probably the President's closest friend in electoral politics, who said Mr. Reagan knew that he must now try to be more of a hands-on manager and less of a delegator. And then came the appointment of former Senator Howard H. Baker Jr. of Tennessee as the White House chief of staff, succeeding Donald T. Regan, whose ouster had been sought for months and was sealed by the Tower commission report.

Mr. Baker brings abilities wholly different from those of his predecessor. Mr. Regan was a businessman and manager; Mr. Baker is a politician and legislator. One is abrasive and autocratic, the other good-natured and a builder of coalitions. One is a died-in-the-wool Reaganite, the other a centrist. Inevitably, Mr. Baker will change the White House style and, if not that of the President, at least the way Mr. Reagan's Administration is seen by the outside world.

He will not sanction circumventing Congressional oversight of covert operations, his friends say, he will not try to close off access to the President and he will not, as a longtime member of the Senate Foreign Relations Committee, be inclined to leave foreign policy to Frank Carlucci, the new national security adviser, as Mr. Regan left it to Vice Adm. John M. Poindexter.

The Eisenhower Example

"I don't think this means that suddenly everything's just coming up roses," said Bob Dole the Senate Republican leader. "But this is certainly the right start. It's also an indication that Ronald Reagan understands the severity of the problem. I think he needs to recognize the report, accept full responsibility, indicate that he's not happy with the mistakes that were made, admit that some of them were made by himself, and assure the American people that, having said that, we still have an agenda before Congress."

History shows that Presidents who favor decentralization of power, like Mr. Reagan, can conduct successful foreign policies; Dwight D. Eisenhower is an obvious example. It also shows that Presidents who immerse themselves in the tiniest of details can come a cropper in national security matters, as Jimmy Carter did. So Presidential style is no sure determinant of how things evolve.

But the decentralizers have needed unusually able chiefs of staff — as General Eisenhower had, both during World War II and as President, and as Mr. Reagan had, in James A. Baker 3d, now the Treasury Secretary, during his most successful days in the White House.

Much will depend on the people Mr. Baker brings with him; the assumption is that Mr. Regan's departure will also mean the departure of a dozen or so less-known but crucially placed aides. And much will depend on something that is completely beyond White House control — what is turned up by the investigations, which are only now beginning, of the Iran-contra mess by the select committees of the Senate and House and by the special prosecutor, Lawrence E. Walsh.

One feature of the Administration, which has arisen largely because Mr. Reagan is perhaps the most ideologically committed President since World War II, has been the constant tension between the pragmatists and the true believers, who have constantly urged their rivals to "let Reagan be Reagan." But the ideologues are almost all gone or going, even Patrick J. Buchanan, the feisty communications director. In Mr. Carlucci, the President has a high-level civil servant, and in Mr. Baker, a professional politician whose life has been devoted to narrowing differences, not dramatizing them.. They are products of the system, not outsiders impatient with its restraints

That in itself should make it far more likely that in the last 23 months of his term Mr. Reagan will heed one of the admonitions in the Tower report: "Using the process will not always produce brilliant ideas, but history suggests that it can at least prevent bad ideas from becoming Presidential policy."

Drawing Conclusions From the Tower Findings

THE report of the President's Special Review Board detailed how President Reagan and some of his Administration's highest officials were involved in the Iran-contra affair. Bernard Weinraub of The New York Times interviewed public figures in and out of Government on the meaning of the Tower commission's report, which was issued Thursday. Following are excerpts from the interviews and from public statements.

Mario M. Cuomo

Governor of New York

Two things keep dynamic, complex societies like ours together: the strength of the leader's word and the reasonable rule of law. Here our leaders have forfeited credibility and flouted the rule of law. No matter what else you say, it's sad and dangerous.

And of all the words I use, the one most important is credibility. You can't run a free society with force. Therefore, the power that leaves you is credibility. Giving up credibility in a free society is like giving up force in a totalitarian society.

Elliot L. Richardson

Resigned as Attorney General during Watergate

There are obvious similarities with Watergate here, including the basic common denominator of a White House operation carried out without an adequate sense of accountability to the American people and the Congress. The differences are very obvious. And in some ways these latest episodes are far more damaging to the U.S. in the eyes of the rest of the world than Watergate was. . . .

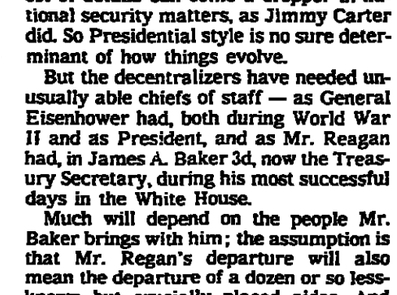
I thought this report was devastating in the impact of its exposure of the President's slack attitude to what was going on. On the other side there was the failure of his subordinates to recognize their own responsibilities given what they knew about his style and operation.

The chief of staff, the National Security Council adviser and the N.S.C. staff all knew what kind of President they were working for and they did not fulfill their responsibility of making sure that he's focused sharply on the implications and the risks of the policy choices involved in these operations.

William S. Cohen

Republican Senator of Maine

To me it seemed as if the President was acting like an absentee landlord who was either unaware of or indifferent to the tenants smashing the windows or breaking up the furniture. I suspected things were chaotic, but I was surprised by the amount of detail about the operations in the White House — the kind of full rein Colonel North seemed to have, swaggering through the N.S.C. and the White House, taking on airs, being a sub-Secretary of State and, in fact, making false claims about his easy access to the President and sort of exaggerating the importance of his authority.



Europe Feels Leaderless 2

Dean Rusk

Secretary of State in Kennedy and Johnson Administrations

I think there was a mishap and action should be taken to try to prevent recurrences in the future. But I've been troubled by some of the exaggeration that has surrounded this event. There are those who say our foreign policy is in disarray, but today is a working day in the Department of State. Something like 3,000 cables will go out today, as happens every working day, to our posts and to governments all over the world. I don't think this particular incident is typical of the way we conduct foreign policy.

Every Administration has stubbed its toes one way or another. . . . A President can delegate but cannot abrogate responsibility. Lyndon Johnson would never in the world have allowed this to happen. He strode like a colossus over the White House staff.

Phyllis Schlafly

President of Eagle Forum, a conservative organization

I don't think the impact is very great. It doesn't find anybody had committed any crime. It doesn't find that anybody has absconded with any money. It didn't find anybody had engaged in any action that could be called illegal. Most of it appeared to be a critique of management style.

Look, I think the President has the right to run the foreign policy the way he wants to run it. When Kissinger was in that job at the N.S.C. he negotiated the ABM treaty, which many of us consider absolutely immoral.

That was the National Security Agency running amok.

The Rev. Jesse Jackson

Candidate for 1984 Democratic Presidential nomination

It seems to me that there are four levels of pain here. If all this happened in the White House and Reagan did not know about it, that is bad. If he knew about it and did not admit it and, therefore, did not address it, that's worse. If he knew about it and conveniently forgot about it, that's even worse.

But if he knew about it and actually forgot it, then all of us are living in extreme danger because if he has a lapse of memory that severe about a matter of that importance, it's no longer a political issue but a medical issue.

The Rev. Jerry Falwell

Leader of the Moral Majority

All that I know about Colonel North and Admiral Poindexter is that they're great Americans who have the next generation of American children in mind. However, the report seems to indicate that they may have violated the law. I think that they have already suffered enough. . . .

I think the Tower report is a very positive one as far as President Reagan is concerned. It is what I had hoped we would hear, namely, that the President did not mislead the American public or cover up unlawful conduct.

I do not believe that the report indicates the President has not been in control. He operates the Government much like a Fortune 500 C.E.O. would run a corporation.

Nancy Landon Kassebaum

Republican Senator of Kansas

There were not a lot of major surprises, but a lot of unanswered questions. It showed the President's style of delegating — his looser managerial style — allowed in this instance those who circumvent the process to really be able to run their own operation.

It just got out of hand. It allowed a poor policy to become a flawed policy and it showed a real arrogance of those who were engaged in the process. That's one of the saddest parts of it. A lack of respect for the whole governmental process.

The key now is how the President grabs hold of the reins. There's still the opportunity for him to get things back in focus. People in the country really want that to happen, I know that. There's disappointment, there's dismay, there's certainly disgust. But on the whole, people want to see the President succeed. . . .

Daniel Patrick Moynihan

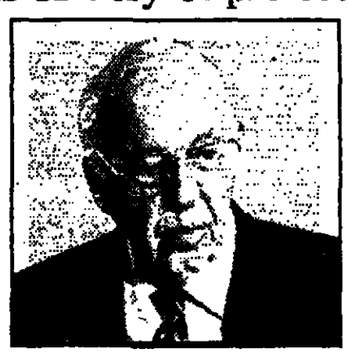
Democratic Senator of New York

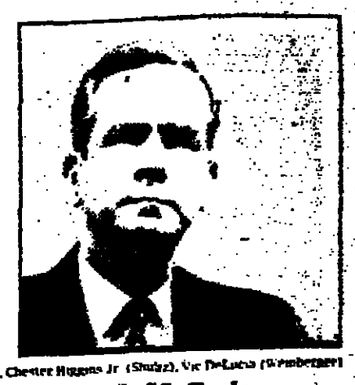
The characterization which Senator Tower made at the press conference when he said this was an aberration misses the point altogether. The events involved in the Iran arms sales, the diversion of funds to the contras, was a pattern of activity in

Continued on page 2

The Tower Commission: Report on Iran-Contra Affair Depicts 'A Very Unprofessional Operation'





Associated Press (Regan); The New York Times/Marilynn K. Yee (North, Poindexter, McFarlane), Paul Hosefros (Casey), Chester Higgins Jr. (Shultz), Vic DeLucia (Weinberger)

Donald T. Regan

"He, as much as anyone, should have insisted that an orderly process be observed. . . . he especially should have ensured that plans were made for handling any public disclosure of the initiative. He must bear primary responsibility for the chaos that descended upon the White House when such disclosure did occur."

Lieut. Col. Oliver L. North

"LtCol North and his operation functioned largely outside the orbit of the U.S. Government. . . . The board found indications that LtCol North was involved in an effort, over time, to conceal or withhold important information."

Vice Adm. John M. Poindexter

"He apparently failed to appreciate or ignored the serious legal and political risks presented. His clear obligation was either to investigate the matter or take it to the President — or both. He did neither."

William J. Casey

"Director Casey should have taken the lead in vetting the assumptions presented by the Israelis . . . . Director Casey, and, to a lesser extent, Secretary Weinberger should have taken it upon themselves to assess the effect of the transfer of arms and intelligence to Iran on the Iran-Iraq military balance, and to transmit that information to the President."

George P. Shultz and Caspar W. Weinberger

"Their obligation was to give the President their full support and continued advice with respect to the program or, if they could not in conscience do that, to so inform the President. Instead, they simply distanced themselves from the program. . . . They were not energetic in attempting to protect the President from the consequences of his personal commitment to freeing the hostages."

Robert C. McFarlane

"Mr. McFarlane contributed to the creation of this chronology which did not, he said, present 'a full and completely accurate account' of the events and left ambiguous the President's role. . . . Mr. McFarlane told the board that he knew the account was misleading, at least, and wrong, at worst."

Proposing Remedies

Drawing Conclusions From the Tower Board Findings

Continued from page 1

this Administration. It intensified as time went on, but it was there from the outset. The point is that the movement conservatives, the ideological groups, in the Administration, when they came here they transferred the generalized suspicion of the career diplomatic service to the career intelligence service. They included them in the permanent Government that, they said, you can't depend on.

Part of it goes back to the mythology of the C.I.A. being Eastern and white shoe and all that. This was Bill Casey's view. He would say this quite openly. His view was that there was too much caution, too many constraints.

So they set out to operate on their own as kind of irregulars, and this is what happened.

Cyrus R. Vance

Secretary of State in Carter Administration

This is a very damning indictment of the President in that he has failed to carry out his responsibilities with respect to the oversight and management of our national security system.

It's already having an effect on our relations abroad. When one talks with leaders in the upper echelons of foreign governments, one finds the people are saying this really shakes our confidence and trust in the United States and we're going to have to really rethink how we're going to conduct our relations with your country.

Arlen Specter

Republican Senator of Pennsylvania

The report reached important conclusions that the covert action on the sale of arms to Iran did not comply with U.S. law prior to a written finding. The executive branch did not comply with legal requirements that Congress be notified of covert actions in a "timely" manner. Because the commission was unable to come up with hard evidence on the diversion to the contras, it shows the necessity to grant limited use of immunity promptly to North and Poindexter to get to the bottom of the entire affair.

Zbigniew Brzezinski

President Carter's national security adviser

It's essential that the President try to put the issue behind him by demonstrating assertive personal leadership. The only way he can do that is by taking public actions to assume personal responsibility for what transpired. For one, he must state that while he's not going to engage in scapegoating, he recognizes the need for a fresh start and therefore for a new team.

Donald H. Rumsfeld

Defense Secretary in Ford Administration and special envoy to the Middle East for President Reagan.

The task of executive leadership is to get the right people to do the right things in the right way. In this case, the wrong people did the wrong things in the wrong way. . . . Something like this happens almost every three or four years, and the world goes on. It's terribly important that people hit this thing fresh and get on with it. You see a similarity of mistakes. It's as if there's no memory. It's complicated and tough. It takes knowing where you want to go but also you need to know how to get there. . . .

I was dumbfounded, absolutely dumbfounded. It was contrary to the policy I had been involved with as the President's Middle East envoy and contrary to the efforts made to persuade other countries not to sell arms to Iran. I just can't understand it. We set up a worldwide effort to dissuade countries to provide weapons to Iran.

Sam Nunn

Democrat of Georgia and chairman of Senate Armed Services Committee

I think it's very damning. But I think it also allows the President to begin putting his own house in order, and also changing his own style, to the extent he can, in getting more involved. He's got a reservoir of good will out there among the American people so he's got something to build on. He's just got to be a little more vigorous. Let me strike the word "little."

Walter F. Mondale

Former Vice President and 1984 Democratic Presidential candidate

The thing that kept crying out throughout that news conference when the report was issued is the constitutional requirement embodied in the oath that the President *must take care to faithfully execute the laws of* the land. The President is not judged as the others are. He has a higher responsibility to take charge.

The whole system breaks down if that constitutional duty is ignored. And that's exactly what happened here.

Alfonse M. D'Amato

Republican Senator of New York

I was disappointed, and I think many Americans are disappointed, that the President could have and would have permitted himself to be placed in this situation by his chief of staff and those who worked with him.

The only really redeeming part — and I think it is a quite significant and important part of the report — was that the commission found that the President did not attempt to cover up any unlawful conduct.

Edward M. Kennedy

Democratic Senator of Massachusetts

The challenge now is for the President to reassert control of his Presidency. For too long, on too many vital issues, in foreign policy and national defense, we seem to have had a commander in chief who has been AWOL.

Richard V. Allen

President Reagan's first national security adviser

It's just that the system was permitted to go awry. That has to do with people. . . . Staff members were off on sprees and junkets that were uncontrolled, but that doesn't mean the system is unworkable.

Dennis E. Eckart

Democratic Representative of Ohio

If this report had been written by Robert Ludlum, it would make the fiction best seller list overnight. It's a report about a President out of touch and a *President out of control.*

Walt W. Rostow

President Johnson's national security assistant

I agree that the critical problem that has to be solved is to make the working style of President Reagan effective for himself and the country in his final two years. . . . At no time should a great decision be made without the President hearing and giving weight to the Secretary of State and Secretary of Defense. . . . As President Kennedy told both Rusk and McNamara, "I want the widest range of options, but I shall make no decision in your field without listening to your views and giving them great weight." That's the way it should be.

Patricia Schroeder

Democratic Representative of Colorado

What they told us was what everyone in Washington knows. The President is not plugged in. Everyone thought he was so charming, and the President had a remarkable ability to lower everyone's expectations. If he went to an international conference, people would be thrilled if he dressed well, used the right fork. You know, if he remembered what country he was in and stayed awake, that made the meeting a success. I've never known any other President judged by those standards. Reagan was always judged on form, not substance. Did he give a speech well, not whether or not it was a good speech.

David L. Boren

Democrat of Oklahoma, chairman of the Senate Intelligence Committee and member of the Senate Select Committee investigating the Iran-contra affair

It completes a picture of a policy out of control, and inadequate supervision, inadequate control by the President and by the constitutional officials of the Government. We have to find out answers to other key questions that obviously weren't addressed in this report. We still don't have answers to the key questions of how much money changed hands, where did that money end up, who ordered the diversion of funds to the contras, who knew about it?

Gains for Gorbachev

A Weakened Presidency Troubles Europe

By JAMES M. MARKHAM

BONN

An opinion poll in France last week found that 56 percent of those questioned felt Mikhail S. Gorbachev was "getting the better" of Ronald Reagan. Only 20 percent believed the American President was one up on the Soviet leader.

It was only a straw in the wind, but an eyebrow-raiser, in a country where the citizenry and the press are broadly sympathetic to the United States. As Mr. Reagan was experiencing the most debilitating passage of his Presidency, his European allies were looking with fascination toward Moscow. They also were modestly trying to seize the initiative, in certain foreign policy realms, so as not to concede the field to Mr. Gorbachev. As they began to digest the Tower commission report on the Iran-contra affair, many Europeans worried less about its substance than the implications for American power in the world. The President's domestic distractions were seen as a poor omen for an arms control agreement with Moscow. The Soviet decision to end the self-imposed moratorium on nuclear testing was another.



Mirko Ilic

Last week, the 12 foreign ministers of the European Community responded positively to a proposal by Mr. Gorbachev for an international conference on the Middle East. The Soviet overture had for the first time recognized the Community as a political, not merely economic, entity. The conference idea may be a nonstarter, but the Europeans wanted to compensate for Washington's virtual abandonment of the Middle East peace process. Since the Reagan Administration's precipitate withdrawal from Lebanon in 1984, European policymakers have become concerned that Washington's main concern with the area was the hunt for terrorists. "We have a lot of other interests out there," a top West German official said. The Iran scandal has only heightened the sense that Mr. Reagan's Middle Eastern priorities have to do with emotional, not strategic, priorities.

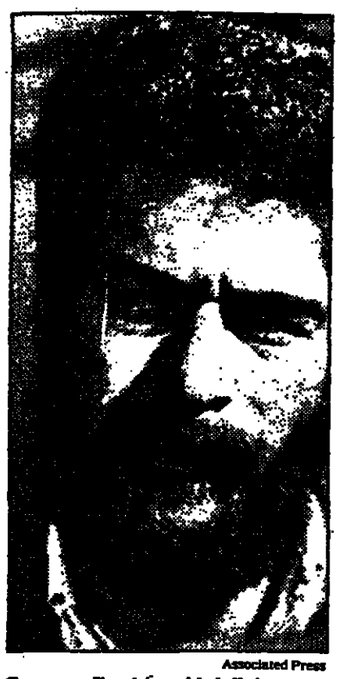
One of the most significant reorientations of recent years has been Britain's decision to throw its lot with Western Europe. London's vaunted "special relationship" with Washington is intact, demonstrated anew last week by British willingness to let American military planes land in the Falkland Islands. But the relationship has been frayed by a resentful mood, sometimes called "anti-American." Prime Minister Margaret Thatcher has been consulting with the Europeans before her meetings with President Reagan, so that she may speak, in a sense, for Europe. She also plans to consult them before visiting Moscow this month, a close Thatcher adviser said; he added that just because Washington had no apparent policy toward Mr. Gorbachev's innovations, Western Europe would not be prevented from having one.

However, neither Britain nor France share West German optimism about Mr. Gorbachev's campaign for "glasnost," or openness, in the Soviet Union. France, in particular, remains skeptical of the analysis of Foreign Minister Hans-Dietrich Genscher, who argues that the Gorbachev policies could produce a turning point in East-West relations. French standoffishness is partly the handiwork of Foreign Minister Jean-Bernard Raimond, a former Ambassador to Moscow. According to Mr. Genscher, to encourage and influence an opening in Soviet society, the West should offer "large-scale economic cooperation that will help the Soviet Union modernize its economy." Last week in Bonn, Mr. Genscher and his British counterpart, Sir Geoffrey Howe, agreed to take the Soviet leader's "new politics" seriously and see if his "words were followed by deeds."

Bonn's hopes coincide with an abrupt improvement in ties with Moscow. Before last month's West German elections, the Soviet press chastised Chancellor Helmut Kohl for having compared Mr. Gorbachev's propaganda skills to those of the Nazi Joseph Goebbels. But after Mr. Kohl's coalition was re-elected, Moscow, clearly pleased by the strong showing of Mr. Genscher's little Free Democratic Party, turned on the smiles. High-level visits are being prepared, including one to Bonn by Foreign Minister Eduard A. Shevardnadze, and a possible state visit to Moscow by the West German President, Richard von Weizsäcker. In a startling shift on the German question, Nikolai S. Portugalov, a senior member of the Soviet Central Committee, conceded last week that it was natural for West Germans to consider the inhabitants of East Germany as "also Germans, belonging to the same nation."

The West Europeans are hearing less reassuring noises from Washington. The Administration's Soviet policy appears to be largely a reflection of the internal debate over the Antiballistic Missile Treaty. Last week, two American envoys, Paul H. Nitze and Richard N. Perle, toured Western Europe to explain why Washington favors a "broad interpretation" of the 1972 treaty that would permit expanded testing of antimissile weapons. Their hosts expressed polite skepticism and Chancellor Kohl even entered a rare, muted dissent. A widespread conclusion was that a weakened American President intended to make his quest for an antimissile shield, not an arms control accord with Mr. Gorbachev, his principal foreign policy legacy. This rueful feeling has come mixed with some of the most unflattering commentary about an American President in many years. For example, Britain's Guardian newspaper said of the Tower report: "The verdict is a novel one. Guilty but asleep."

The World



Associated Press

Georges Ibrahim Abdallah, convicted in two murders.

Terrorist Given Life Term by French Court

For a time last week, it looked as if the French might go easy on Georges Ibrahim Abdallah, a self-described "Arab fighter" being tried for complicity in the 1982 murders of two diplomats, an American and an Israeli. The prosecutor asked the court to give Mr. Abdallah, a Lebanese Christian, a "moderate" sentence, linking his punishment to the fate of French hostages in Lebanon and threats of terrorist reprisals in Paris. But yesterday, the seven-judge special court said it had found "no extenuating circumstances" and handed down the maximum penalty under French law.

Mr. Abdallah received a life sentence. Unless pardoned, he will be imprisoned for at least 15 years, French legal experts said.

The United States had become a formal party in the case after reports in Paris said that France wanted to exchange Mr. Abdallah for hostages. Groups demanding his release had set off several series of bombings in Paris shopping districts that killed 13 people and injured 200.

Mr. Abdallah was a leader of the Lebanese Armed Revolutionary Faction, which had boasted of killing Lieut. Col. Charles R. Ray, a military attaché at the American Embassy in Paris, and Yacov Barsimantov, an Israeli Embassy official.

The group also said it was responsible for shooting Robert Homme, the American consul general in Strasbourg in eastern France.

Mr. Abdallah walked out of the trial after denouncing American and Israeli "imperialism." His lawyer called the verdict "a declaration of war for Arab fighters."

The American Ambassador, Joe Rogers, said that "justice has been rendered."

The French underground group known as Direct Action had threatened vengeance against the special court, which was established after threats to jurors disrupted a previous trial of suspected terrorists. But the threat may have backfired.

Acting on a tip, the French police raided an isolated farmhouse near Orléans, south of Paris, and said they had arrested four of Direct Action's top leaders.

The group, believed to be the French partner in a four-country European confederation of terrorists, has been blamed for 80 bombings and several murders of prominent Frenchmen.

Two of those arrested, Nathalie Menignon and Joëlle Aubron, are suspected by the police of killing Georges Besse, the chairman of the Renault automobile company, last year. The others are Jean-Marc Rouillan and Georges Cipriani.

Gorbachev Runs Into Opposition

Mikhail S. Gorbachev gave outsiders a rare glimpse of discord in the Kremlin last week. Defending his version of democracy as an energizing alternative to "stagnation and dormancy," the Soviet leader conceded that winning the endorsement of the 307-member Communist Central Committee in January was "a difficult matter."

"Suffice it to say that we postponed the meeting three times," he said, until support was marshaled for proposals such as giving voters a choice among previously approved candidates in future party and Government elections.

Western diplomats and some Soviet officials say that for the moment, at least, Mr. Gorbachev commands clear majorities in the Politburo and the powerful party Secretariat.

But farther down the ladder, he is said to have run into substantial, albeit unorganized, opposition from jobholders, privileged bureaucrats and what Georgi A. Arbatov, a Central Committee member, maintained were "millions of people, not a majority but a substantial minority, who don't want to sweat, who don't want to work any harder."

Some of the resistance is rooted in fears that the "revolution of expectations," which Mr. Gorbachev said had resulted, may unleash a tidal wave of demands for freedom.

Replying to concerns that his call for "glasnost" or openness, will lead to disarray, Mr. Gorbachev said democracy would not mean disorder and was not the enemy of discipline and responsibility.

Rather, he argued, democracy is "order of a higher degree, based not on implicit obedience and mindless execution of instructions, but on full-fledged active participation by all of society in its affairs."

Peres's Cairo Trip Causes a Row

Acting like a bold Prime Minister, Israel's Shimon Peres traveled to Egypt last week and won support for an international Middle East peace conference this year. The only problem is that Mr. Peres is no longer Prime Minister.

The man who is, Yitzhak Shamir, accused Mr. Peres, the Foreign Minister, of overstepping his authority and trying to break up Israel's fragile 29-month-old coalition Government.

But Mr. Peres argued that his aim in three days of talks with Egyptian President Hosni Mubarak was "to achieve peace between Israel and its Arab neighbors, not to deal with a war between the Jews."

He and Mr. Mubarak said they agreed that there should be an international conference on Middle East peace this year, reaffirming a position they took last year when Mr. Peres was Prime Minister.

Mr. Shamir, the leader of the right-wing Likud bloc who swapped jobs with Mr. Peres, the Labor Party head, last October under a compromise between the two ruling parties, has rejected such a conference. He maintains that progress toward peace can only be made in direct negotiations with Israel's neighbors. Mr. Peres has been more willing to consider the kind of forum sought by Jordan under which other countries might become involved.

The Foreign Minister acknowledges that he and Mr. Mubarak still disagree on many points, the most important being the matter of who would represent the Palestinians.

Mr. Peres has said that the Palestine Liberation Organization could not take part, while Egypt favors the participation of Yasir Arafat, the P.L.O. leader.

In Israel, meanwhile, the political squabbling over Mr. Peres's trip was growing. Asked if the dispute could bring down the Israeli Government, Prime Minister Shamir replied, "Look, it is possible."

James F. Clarity, Milt Freudenheim and Katherine Roberts

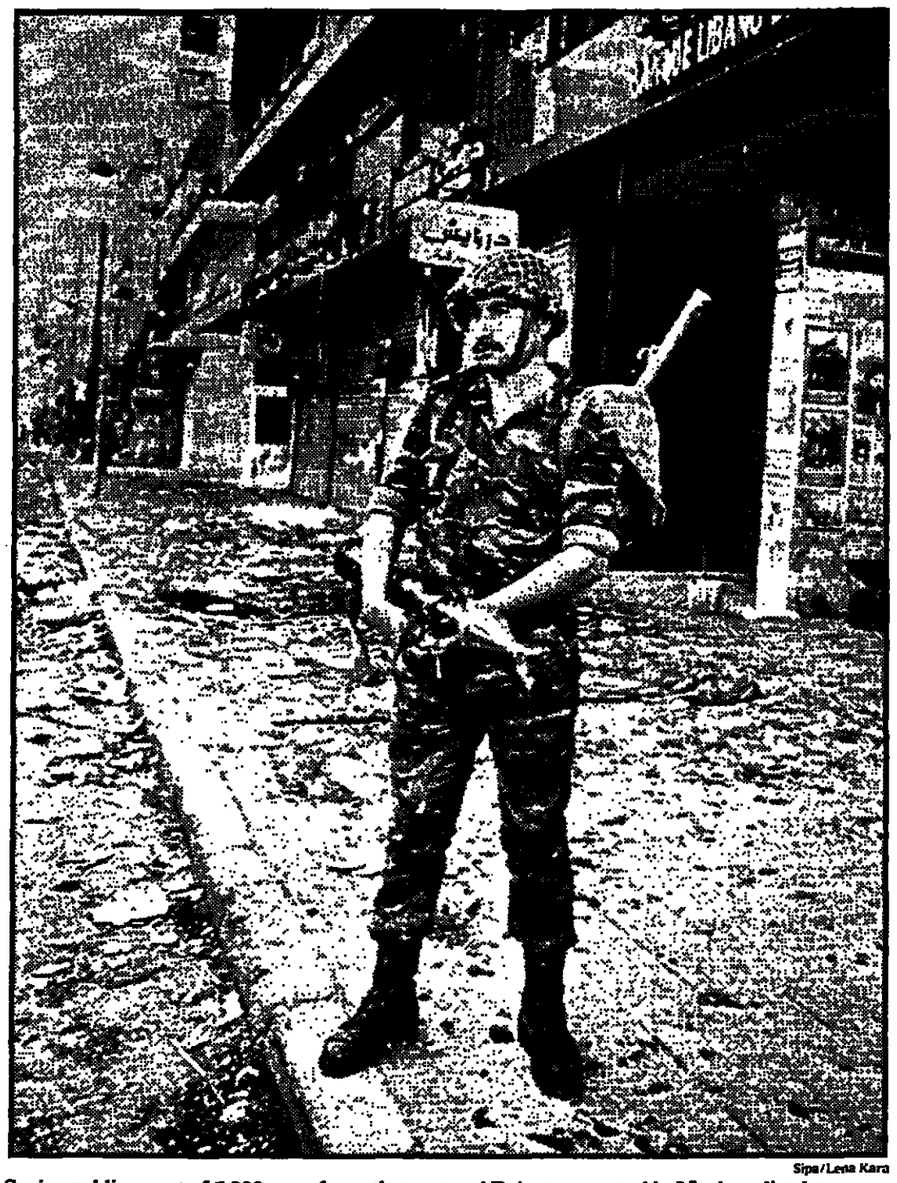
Verbatim: 'I See Him'

'There is Ivan the Terrible. I dream about him every night. I see him, I see him, I see him. When we were told to remove the corpses, this Ivan came out of the engine room and would beat us mercilessly with a pipe or a sword or a bayonet. He would crack skulls and cut off ears and commit the most indescribable atrocities on the corpses. I think the human brain cannot grasp it when it's retold.'

Pinhas Epstein

a survivor of the Treblinka death camp, at the trial in Jerusalem of Ivan Demjanjuk, a 66-year-old retired auto worker from Cleveland, who is accused of operating the camp's gas chambers.

Pro-Iranian Party of God Is Latest Target



Sipa/Lena Kara

Syrian soldier, part of 7,000-man force that entered Beirut, on patrol in Moslem district.

Once More, Syria Comes Armed to 'Save' Beirut

By IHSAN A. HIJAZI

BEIRUT, Lebanon

WHEN thousands of Syrian troops moved into mainly Moslem West Beirut last week to try to curtail the increasing slaughter of the urban civil war, the daily pro-Damascus newspaper Al Sharq front-paged a portrait of Syrian President Hafez al-Assad, hailing him as "The Savior."

This is the image the Syrians wanted to convey on their prompt response to an urgent request for help from Lebanon's leading Moslem officials.

Over the years, the Syrians have often been willing to save Lebanon — from Lebanon's own armed militias, or from Palestinian guerrillas, or from any armed group (in recent weeks it has been the Moslem Shiites) that seems to be gaining too much power in the capital. For Syria has long looked at Lebanon as a "twin country," and there have been active political groups advocating the establishment of a "Greater Syria" that would absorb Lebanon and other neighboring countries. Since the civil war began here 12 years ago, there has been a continuous and strong Syrian military presence in the country, but not always in Beirut itself.

Sources close to the Lebanese Moslem officials who invited the Syrian forces said President al-Assad made it clear his army's main objective would be "to put the fire out, end the carnage in Beirut." Since Feb. 15, 300 people have been killed and 1,300 wounded in fighting between Druse and Shiite Amal militias.

Within four days of its arrival, the 7,000-strong Syrian task force cleared West Beirut of swarms of gunmen. In a confrontation, Syrian soldiers killed 23 members of the pro-Iranian Party of God, a Shiite fundamentalist group whose leaders called the action "an outright massacre."

The Party of God was singled out for brutal treatment, it was reported, because it is often identified with the Islamic Holy War organization and other secret groups holding a total of 26 hostages, including eight Americans. (Syria has been under pressure from Western nations to stop fostering terrorism, and to help free hostages being held in Syrian-controlled parts of Lebanon.) One day after the attack on the Party of God, the Syrian general in charge of security, Ghazi Kanaan, called on foreign diplomats and nationals to return to their homes and offices in West Beirut, guaranteeing their safety.

While Syria is one of the few Arab nations supporting Iran in its war with Iraq, Syria is also said to be concerned that extremist followers of the Ayatollah Ruhollah Khomeini, such as the Party of God, are getting too strong in Lebanon.

Roots of a Strategy

Restoring peace in West Beirut is only an immediate goal of Syrian strategy. Deeper reasons lie in the traditional relationship between the two countries and regional concerns. Arab diplomats here said the speed with which President Assad dispatched his forces was designed to head off a possible American landing in Beirut and the Bekaa, the valley region in the east of the country, extending near the Syrian border.

After a clandestine organization threatened to kill three American educators abducted last month, the Pentagon ordered the Sixth Fleet in the Mediterranean to operate off the Lebanese coast in a show of force. News organizations here and in Damascus buzzed with speculation that the United States was about to carry out a major military operation to rescue the hostages. Syria's state-controlled newspapers carried daily front-page editorials warning Washington against intervention, which, they said, would be aimed as much at Syria as Lebanon. The Bekaa has many concentrations of Iranian-backed Shiite extremists and is patrolled by some 20,000 Syrian troops.

The dispatch of 30,000 soldiers to Lebanon in 1976 put a whole new meaning on the Lebanese-Syrian relationship. The troops operated under an Arab League mandate with the declared purpose of ending the civil war that had broken out the year before. Since then, the Syrians have clashed with practically all the forces in Lebanon — the Palestine Liberation Organization, the Christians, and now even their own Shiite and Druse allies. Damascus's prime objective is to secure a Lebanon that will stand firmly on Syria's side in a divided Arab world. The Syrians now say their own security is intertwined with Lebanon's and that all Lebanese energies must be devoted to confronting the Israeli enemy.

The growing Palestinian guerrilla presence in this country is as much a worry to the Syrians as to the Lebanese. Damascus wants to make certain that P.L.O. fighters aligned with its archenemy, Yasir Arafat, do not gain the upper hand in 13 refugee districts in Lebanon against pro-Syrian P.L.O. factions.

Soviets End Moratorium With Blast in Asia

Who's Ahead Now in Nuclear Arms?

By WILLIAM J. BROAD

THE Soviet Union ended an 18-month unilateral freeze on nuclear testing last week, prompting disagreement over what the resumption of explosive tests bodes for the future of Soviet weaponry. The Pentagon said that it means little and that the Russians already had surged ahead in nuclear arms development despite the moratorium. But many Western and Soviet scientists argued that the freeze had brought Soviet nuclear work to a halt and that the resumption of testing promised a new round of weapons development, including arms that are increasingly viewed as threatening to President Reagan's "Star Wars" antimissile plan.

The moratorium ended Thursday when the Soviet Union exploded a nuclear device at its underground testing site at Semipalatinsk in central Asia. Tass said the test was meant "to check the results of research into the physics of a nuclear explosion."

The Soviet Union had repeatedly asked the United States to join the moratorium. Washington declined and detonated 26 nuclear weapons during the 18-month period at its underground test site in the Nevada desert. The Administration has said that the Soviet freeze was a public relations gesture and that the American tests were necessary to maintain the reliability and safety of old weapons and to develop new ones aimed at modernizing the American arsenal.

Pre-eminent among the new arms the United States is testing is the nuclear X-ray laser, a device that is meant to channel nuclear explosions into tight beams of radiation that flash through space. First tested by the United States in 1980, the X-ray laser was seen as a way to shoot down enemy missiles. It was an inspiration for President Reagan's "Star Wars" speech in 1983. The X-ray laser and its cousins are known as third-generation weapons, the first two generations being atomic and hydrogen bombs.

Russian scientists and many Western experts say that the Soviet Union, by entering a moratorium, gave up the development of such arms. Computers and nonnuclear experiments, they stress, are no substitute for underground nuclear explosions meant to test complex designs. No progress, they argue, is possible during a moratorium. "It completely kills this kind of work," Dr. Roald Z. Sagdeyev, director of the Soviet Union's Space Research Institute, said in an interview two weeks ago. "If you cannot explode nuclear warheads, I cannot imagine any other way to explore the option of pumping X-ray lasers." The Soviet military was eager to develop such weaponry and thought that the freeze was a mistake, according to Dr. Frank von Hippel, a physicist and professor of international affairs at Princeton who frequently visits the Soviet Union to coordinate scientific exchanges.

As it turns out, last week's Soviet test, far from resuming a superpower race for exotic antimissile weapons, may doom any Star Wars shield, some experts say.

This is because the X-ray laser is proving too weak for destroying missiles but ideal for knocking out more vulnerable targets such as battle stations, satellites and sensors — the very devices needed to wage antimissile war. A burst of X-rays, for example, might shatter the mirrors of conventional antimissile lasers.

Calling this X-ray threat to a Star Wars shield "underrecognized," Dr. George H. Miller, head of weapons development at the Lawrence Livermore National Laboratory in Livermore, Calif., recently told a scientific symposium that "it will take approximately 10 to 20 nuclear tests to provide decision makers with relevant data on a counterdefensive X-ray laser." He added that a "much different question" was whether third-generation weapons could be perfected for the more taxing job of shooting down missiles. Some experts, including Government scientists, estimate such a feat of weapons development, if possible at all, might require hundreds of tests.

The Soviet Union will probably aim future tests at perfecting third-generation arms such as the X-ray laser and probing their potential for defeating Star Wars antimissile technologies, according to many Western experts. Indeed, the Soviet Defense Ministry spokesman, Maj. Gen. Geli Batenin, announced Thursday that some of the renewed testing would involve the development of countermeasures to the American space-based antimissile program.

In contrast to the view that the moratorium temporarily halted Russian strides in nuclear arms, the Pentagon recently asserted that the Soviet Union surged ahead in such areas during the past year, threatening to gain superiority over the United States. In his annual report to Congress, dated Jan. 12, Secretary of Defense Caspar W. Weinberger said the balance in nuclear weaponry for the first time is "changing significantly" in favor of the Soviet Union. The same assertion is made in this year's annual report of the Joint Chiefs of Staff.

"It doesn't make sense," said Theodore B. Taylor, formerly a physicist at the Los Alamos National Laboratory in New Mexico, who now writes and consults on nuclear issues. "Testing is crucial for the development of weapons that are different from what has existed before."

At the Pentagon last week, there seemed to be some confusion on the issue. A spokesman said he could provide no immediate explanation of how the Soviet Union made such gains during the moratorium.



Jill Karla Schwarz

The Nation

Promotion Based On Race Is Upheld By Supreme Court

For the first time, the Supreme Court has made clear that judges may force employers to use strict and specific racial quotas to promote blacks as a way of remedying past discrimination.

In a 5-4 decision, the Court last week upheld a Federal district judge's order that, for a time, Alabama must promote one black state police trooper for each white trooper from a pool of qualified candidates, even if the whites scored higher on tests.

The ruling was a new rebuff to the Reagan Administration's effort to impose narrower limits on affirmative action. It also indicated that the new Court, led by Chief Justice William H. Rehnquist, who, as expected, dissented from the ruling, might not necessarily be more receptive to the Administration position on affirmative action. Indeed, the decision served to reinforce three rulings last year in which the Court approved limited use of racial preferences in hiring to remedy instances of past discrimination. But it also demonstrated how sharply divided the Court is on the issue.

The plurality opinion written by Associate Justice William J. Brennan Jr. stressed that in the Alabama case strong measures were justified because of the "egregious" nature of previous bias against blacks, but that the Court will have to continue to handle affirmative action on a case by case basis. Justice Brennan said that a "catch-up quota" for the promotions was justified until blacks occupied about a quarter of the department's upper positions. His 34-page opinion was joined by Associate Justices Thurgood Marshall, Harry A. Blackmun and Lewis F. Powell Jr.

In a concurring opinion, Justice Powell said that the quota did "not disrupt seriously the lives of innocent individuals," even though it did delay whites' promotions. Associate Justice John Paul Stevens, who concurred in the decision but did not join Justice Brennan's opinion, wrote that court-imposed plans need only be within the bounds of "reasonableness," not "narrowly tailored to achieve a compelling Government interest."

Associate Justice Sandra Day O'Connor, in a dissenting opinion joined by Chief Justice Rehnquist and Associate Justice Antonin Scalia, wrote that the quota put an undue burden on the white troopers. "There is no evidence in the record that such an extreme quota was necessary," she said. Associate Justice Byron R. White wrote a separate dissent.

Pipelines Dumped Toxic Wastes

Five major gas pipelines have dumped hazardous wastes in pits or lagoons near their pumping stations, the Environmental Protection Agency said last week. Some of the pits showed high levels of PCB's, chemicals that have been found to cause cancer and other illnesses.

Because they are fire-retardant, PCB's, or polychlorinated biphenyls, were widely used in lubricants for transformers, compressors and other machinery until 1977, when Federal law banned their use. Because of concern that they would contaminate water supplies, the law required that they be disposed of properly, usually by incineration. Nonetheless, the chemical has turned up in ponds on Long Island and in the Great Lakes, in Smithsonian museums and in Alaska's Kenai Wildlife Refuge, along 243 miles of road shoulders in North Carolina and in striped bass spawned in the Hudson River.

The pipeline dumping was first reported by the Texas Eastern Gas Pipeline Company, whose 10,600-mile system carries natural gas from Texas and Louisiana to the Northeast. It has told the Federal agency that wastes contaminated with PCB's were buried at 51 sites in 12 of the states but that, because the sites were mostly in isolated areas, there was no public health hazard. The agency then questioned other companies, and four out of 10 reported burying such wastes. Agency officials said their investigation was continuing.

Gephardt Says He Is In For '88

Representative Richard A. Gephardt, Democrat of Missouri, last week became the first major contender of his party to announce his candidacy for President. The manner of his announcement, in both style and substance, showed where he centers his hopes for success.

Using ringing language reminiscent of John F. Kennedy, the 46-year-old Congressman tried to preempt the issue most analysts call central to the 1988 economic debate, the nation's trade imbalance. American workers, said Mr. Gephardt, the co-sponsor of a strict tariff and quota measure much favored by organized labor, "should not be sacrificed on the altar of a false and rigid free-trade ideology." Former Senator Gary Hart, who is leading early preference polls, is less willing to be tough with countries that trade unfairly, Mr. Gephardt told reporters later in the day.

Mr. Gephardt has a knack of seeing issues early. He worked with then Representative David A. Stockman and Senator Edward M. Kennedy on comprehensive health care bills; with Senator Bill Bradley, he co-sponsored the tax revision measure on which the Administration drew heavily. But his sensitivity to political currents has also brought him criticism. A mainstream Democrat in foreign policy, who opposes aid to the Nicaraguan rebels and a giant military buildup, the former St. Louis alderman is a social conservative who until 1985 supported a constitutional amendment to ban abortions.

Well known in his home state, whose Third Congressional District first sent him to Washington in 1976, and respected by his Congressional colleagues, Mr. Gephardt now draws only 1 to 3 percent recognition in polls. But political professionals note that he is better known than many other potential candidates in Iowa, whose caucuses are the first voting of the 1988 campaign. Mr. Gephardt campaigned hard there in 1986 for Democratic candidates from county commissioner to United States Senator.

Chicago Mayor Leads

For more than four decades it was the election for mayor, but the Chicago Democratic primary last Tuesday was only the first battle. Introducing the winner, Harold Washington, the incumbent, at a victory rally, the Rev. Jesse Jackson said, "Tonight we won the playoffs, but the Super Bowl is April 7."

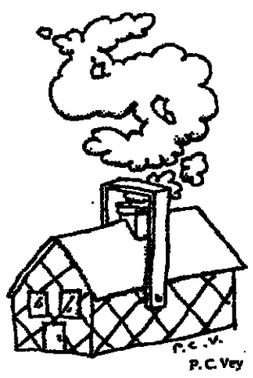
Having defeated former Mayor Jane M. Byrne with about 53 percent of the primary vote, Mayor Washington faces three more opponents in the general election: Thomas C. Hynes, the Democratic Cook County tax assessor, and Edward R. Vrdolyak, the county Democratic chairman, both running as independents, and Donald H. Haider, a business professor and former Democrat, on the Republican ballot.

Despite a first term crippled by feuding with Mr. Vrdolyak's faction on the City Council, Mayor Washington got 96 percent of blacks' votes in the primary and 21 percent of whites'. Two-fifths of Mrs. Byrne's supporters this time said they would vote for Mr. Hynes and one-fourth favored Mr. Vrdolyak, a split that has prompted speculation that one or two of the opposition candidates might drop out. For now, however, all are campaigning with vigor.

Caroline Rand Herron and Martha A. Miles

New Price Index Bows

Charting How We Spend Our Money


P. C. Vey

ECONOMISTS are never sure whether the periodic revisions in the ways the Government measures inflation will produce figures that are a little smaller, a little bigger, or about the same as before. That also does not worry them much. The statistically operative word is insignificant, though the adjustments, which reflect changes in the way Americans spend their money, affect almost every "consumer unit," as the statisticians prefer to call households, through cost-of-living increases in labor contracts and Federal benefit programs.

Last week, when the first "new" Consumer Price Index since 1978 was introduced, the increase in retail prices for January was recorded at seven-tenths of 1 percent; had the surge been measured the old way, it would have been eight-tenths of 1 percent. Nor, many specialists said, should the jump from December's rate — two-tenths of 1 percent whether measured the old way or the new — be considered too significant.

Though the rise was the biggest in four and a half years, it was due, analysts said, to higher oil prices, which have slipped since, and a swing up in food, a notoriously volatile sector. Some experts worried that many other components of the index were also up. But most expected that 1987 inflation would stay in the 4 percent range that has prevailed since 1982, except for 1986, when falling oil prices produced the smallest increase in a quarter century, 1.1 percent.

Although the consumer index is often referred to as a measure of the cost of living, it measures only the cost of a basket of goods and services typical of those purchased by urban residents, updated each decade to remain a reliable barometer of what things cost. This latest update, which involved 3 years of interviews of 9,600 families, cost $45 million, and recorded at least one momentous economic change. Americans now spend more on services than on goods.

Other changes reflect sociologic as much as economic trends. Because families are smaller, and more than half of the women in them now work, food at home is a less important component of the index; food eaten away from home is weighed more heavily. Transportation also weighs less heavily, partly because energy-conciousness has led to less driving. The share of spending devoted to medical care is down, largely because the index does not reflect payments from health insurance. But care of invalids, generally elderly, at home will now be counted. And, to return to the purely economic, as it was before, housing is the most important component.

Will Deficit Politics Save the $108 Billion Ceiling?

Budget Cutting Stalls in Gridlock of Priorities

By JONATHAN FUERBRINGER

WASHINGTON

LAST July, the United States Supreme Court drew the teeth of the budget-balancing law known as Gramm-Rudman-Hollings. Now the law's other key feature — rigid limits to the deficit, bringing it down year by year to zero in 1991 — is threatened. The chairmen of the House and Senate budget committees suggested last week that the law could still work even if Congress raised the ceiling for 1988.

The law that many hailed as a landmark in 1985 is in trouble. The actual deficit for the fiscal year 1987 is expected to exceed that year's ceiling by $30 billion, and no matter what happens, most budget writers expect the target to be missed again in 1988.


The New York Times/Jose R. Lopez (Chiles); Paul Conklin

Senator Lawton Chiles (left) and Representative William H. Gray, chairmen of Senate and House budget committees.

But Gramm-Rudman-Hollings is not dead yet. The chairmen's statements prompted a flurry of support for it late last week, indicating that many politicians are wary of appearing to back away from a commitment to balance the budget. Democrats as well as Republicans said they were worried that relaxing the deficit goals would hurt them politically.

In addition, the original sponsors of the law are expected to push for passage of a new "enforcer" mechanism — mandating automatic spending cuts if the ceilings are breached — that would replace the mechanism the Supreme Court struck down last year.

Even without the mechanism, the law has helped Congress make some progress toward reining in Federal spending: Congressional estimates show this year's outlays rising at less than one percent, below the rate of inflation.

The law was passed as an attempt to break a deadlock over priorities in Congress and between Congress and the White House. President Reagan adamantly opposed significant tax increases; Congress resisted deep cuts in domestic spending. Without the automatic mechanism, which supporters hoped would force both sides to accept a "grand compromise," the 1987 deficit-reduction package leaned heavily on one-shot savings and accounting gimmicks, rather than fundamental choices about spending and revenues.

The budget committee chairmen, Representative William H. Gray 3d, Democrat of Pennsylvania, and Senator Lawton Chiles, Democrat of Florida, argued that this continuing stalemate would make it all but impossible to reach the $108-billion deficit ceiling for 1988. They said that a deficit-reduction package of $36 billion to $40 billion would be in the spirit of the law, which had called for $36-billion annual bites to bring the deficit to zero in 1991. Instead, because deficits have been well above projections, the bite next year would be $63 billion.

Because the Pentagon's budget has been sharply reduced for two years, it is not considered a source of significant deficit reduction this year. And if new taxes and deep domestic cuts are both ruled out, the only option Mr. Gray and Mr. Chiles could see — other than the budgetary legerdemain used in 1987 — was to change the deficit ceiling. "It is more important to get $40 billion that's real," said Mr. Gray, than to get $63 billion by "jimmying" economic predictions and spending estimates.

But the mere suggestion sparked an outcry from the White House and Republicans. All the Republicans on the Senate Budget Committee signed a letter urging Mr. Chiles to stick by the $108-billion ceiling.

Without it, "real deficit reduction efforts will give in to our propensity in this institution to put pain off from one year to the next," said Senator Pete V. Domenici of New Mexico, the ranking Republican on the committee. "The deficit will not just disappear on its own."

The law required that the deficit, over $220 billion at its highest, be reduced to $144 billion in the budget for 1987, which began Oct. 1. But when Congress's work was done and the deficit was re-estimated this year, it was $175 billion. Using this proportion of intent to success, Mr. Domenici said that even with the $108-billion goal, Congress would only save about $15 billion this year.

The three sponsors of the budget-balancing law — Senators Phil Gramm of Texas and Warren B. Rudman of New Hampshire, both Republicans, and Senator Ernest F. Hollings of South Carolina, a Democrat — said last week that they would give their colleagues a chance to enact a new mechanism for automatic spending cuts. They will try to attach the proposal in May to legislation to raise the Government's debt ceiling, a maneuver that helped propel the original law through Congress.

Mr. Gray said last week that he might support a proposal by Representative Willis D. Gradison Jr., an Ohio Republican and a member of the House Budget Committee, to raise the deficit ceiling and impose a spending-cut mechanism as well. This effort will pose an interesting choice for Congress, especially in the House, which last year blocked a Senate effort to reinstate the mechanism.

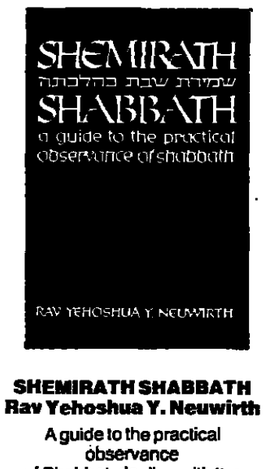
Will deficit politics, which tends to exalt numbers over substance, save the $108-billion ceiling? Will Democrats trade a realistic relaxation of the deficit ceiling for a new automatic spending cut mechanism? Will longtime opponents of the budget-balancing law, such as Mr. Gray, finally agree to the mechanism because they see no other hope of breaking the deadlock over priorities?

Mr. Gray and others don't know the answers yet. But unless some adjustments are made, it appears that the budget process will continue in stalemate.

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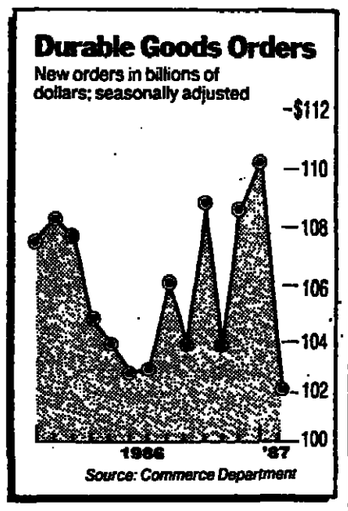
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The Economy

WEEK IN BUSINESS

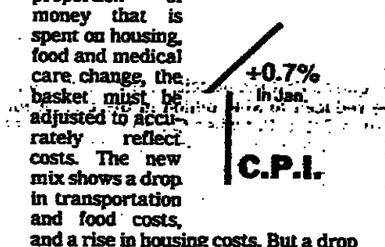
Durable goods orders plunged 7.5 percent in January — the biggest drop in almost seven years. Strong military orders could not offset a 9.9 percent drop in civilian orders. Analysts had been expecting a big drop, because the tax bill had made it more advantageous to place orders before Jan. 1, but the magnitude surprised some. And although most analysts say orders will pick up, they note that capital goods orders, an important category, were particularly disappointing.



New solutions to the debt crisis are being sought to stave off deeper economic problems among third-world nations and widespread losses at commercial banks. Brazil halted interest payments on its $108 billion debt, froze $15 billion in bank credits and said it would deal with governments, not with the commercial banks or the I.M.F. Other nations are in similar straits: Argentina froze wages and prices for four months, after one last increase, devalued its currency by 7.7 percent and lowered interest rates. The United States and other nations then granted Argentina a $500 million short-term loan while it deals with its $53 billion debt. And Mexico, which had been counting on higher oil prices from the OPEC accord to help it out of its debt bind, is in talks on its $100 billion debt. But Chile reached agreement on a plan to give it lower interest rates on its $21 billion in debt and Egypt and the I.M.F. agreed on a $300 million plan to reschedule some of its $38.6 billion debt.

Bankers have "battle fatigue" in dealing with third-world debt, the Fed chairman, Paul A. Volcker said, and need to take a fresh look at the negotiating process. But he did not offer any concrete suggestions.

Consumer prices rose seven-tenths of 1 percent in January, led by higher energy costs. The increase is based on a new mix in the market basket of goods and services that make up the Consumer Price Index — under the old system prices rose eight-tenths of 1 percent. As consumer tastes and the proportion of money that is spent on housing, food and medical care change, the basket must be adjusted to accurately reflect costs. The new mix shows a drop in transportation and food costs, and a rise in housing costs. But a drop in the medical cost component was called misleading by analysts, who say it reflects not the actual costs but those paid by consumers rather than insurance or Government programs.



The trade deficit widened to $14.78 billion in January as exports dropped more than 11 percent and imports rose more than 7 percent. The fall of the dollar has not been of particular help, analysts say: although American products have dropped in price, the cost of imports has increased, and that adds more to the deficit.

Cooperation to stabilize the dollar was pledged by six of the seven major industrialized nations, but how they will do so was left vague. Italy walked out of the long-awaited meeting of the Group of Seven, saying it was being ignored. Most economists expect the pact to take the form of intervention if the dollar starts to slide further against the yen or the West German mark. The acknowledgment that the dollar was at its optimum level was a surprise, since the Administration had been insisting that it had not fallen enough.

Stock were all over the spectrum, falling sharply one day in response to Brazil's problems and rising slowly on others. But for the week, the Dow Jones industrial average lost 11.25 points, ending at 2,223.99. Short-term interest rates rose modestly.

Shearson Lehman may be spun off, at least in part, to the public by its parent, American Express. The move, which could involve a public offering, a sale of a big stake to a foreign investor or a distribution to American Express shareholders, would allow American Express to retain control of the big brokerage but raise the parent's stock price.

Oil prices are falling back as the quota and pricing accord reached by OPEC in December starts to unravel under what analysts say is a lack of production control. Oil, which had gone above $18 a barrel — the price Saudi Arabia said it wanted — is now between $15 and $16 on spot markets.

American Airlines dropped attempts to end big fare discounts when other airlines refused to go along. Airlines had been following Texas Air's practice of offering big discounts with sharp restrictions, and American had hoped to break out of that.

Security Pacific will acquire Rainier Bancorporation in a stock swap worth about $1.15 billion that would create a major banking company in the West and Pacific Northwest. First Bank System of Minneapolis had also bid for Rainier in an attempt to expand westward.

Japan will allow American lawyers to open offices and practice there, a move long sought by the Reagan Administration and the investment community. Most of the law firms expected to operate in Japan are involved in Wall Street.

Troubled thrift units would be able to continue operations under a new Bank Board policy, even if their net worth approached zero. The plan allows the institutions to work out their problems without a Federal takeover.

The Indian judge in the Bhopal case against Union Carbide was removed when it was disclosed that he had secretly filed a claim for damages.

Miscellanea. A management group raised its offer for Viacom to $49 a share, matching a competing bid from Sumner M. Redstone. ... Hughes Tool objected to terms of a consent decree intended to override Government antitrust concern over a merger with Baker International. ... A Chicago doctor sweetened his bid for American Medical International to $1.91 billion.

MERRILL PERLMAN

The New York Stock Exchange

MOST ACTIVE STOCKS
WEEK ENDED FEBRUARY 27, 1987
(Consolidated)

Company	Sales	Last	Net Chng
Am Mot	14,048,200	3⅜	+ ¾
AT&T	11,657,000	22½	– ⅞
Navistr	9,798,800	7⅛	– ⅜
Duq Lt	9,064,400	13⅞	...
IBM	9,044,600	139½	– ⅛
Mid S Ut	7,351,400	14¼	– 1¾
Am Exp	6,960,600	74	+ 4½
Morgn	6,723,500	45⅞	– 1⅜
Citicrp	6,562,400	53¼	– 5
Sears	6,124,900	51¼	– 1¾
Phi Pet	6,045,400	13⅛	+ ⅛
Exxon	5,861,500	78¾	– 3
Fla Prg	5,835,800	40¼	– 1
GTE	5,832,900	40⅜	– 1⅛
Xerox	5,456,300	73¼	– 1¼

Standard & Poor's

400 Indust	324.1	316.5	322.7	–0.62
20 Transp	230.1	221.5	223.4	–6.71
40 Utils	120.1	117.2	118.4	–1.70
40 Financial	31.2	30.2	30.9	–0.28
500 Stocks	285.5	279.3	284.2	–1.28

Dow Jones

30 Indust	2249.8	2186.3	2223.9	–11.25
20 Transp	952.5	924.3	935.6	–15.87
15 Utils	222.1	216.4	218.9	– 3.05
65 Comb	860.9	838.0	849.2	– 8.20

MARKET DIARY

	Last Week	Prev. Week
Advances	896	1,224
Declines	1,059	725
Total Issues	2,178	2,183
New Highs	246	418
New Lows	19	20

VOLUME
(4 P.M. New York Close)

	Last Week	Year To Date
Total Sales	814,524,880	7,526,881,348
Same Per. 1986	824,134,728	5,778,401,309

WEEK'S MARKET AVERAGES

	High	Low	Last	Net Change
New York Stock Exchange				
Indust	192.5	189.0	192.0	–0.46
Transp	137.8	134.7	135.3	–2.81
Utils	77.9	76.9	77.1	–1.15
Finance	161.8	159.0	161.7	–0.95
Composite	162.5	159.9	162.0	–0.95

The American Stock Exchange

MOST ACTIVE STOCKS
WEEK ENDED FEB. 27, 1987
(Consolidated)

Company	Sales	Last	Net Chng
TmplE	5,150,300	13⅞	...
HomeShop	3,185,000	33	+ 4⅜
LorimarTel	2,743,900	20	+ 2
Wickes	2,293,500	4	...
TexasAirCp	2,100,100	48	– ⅞
BAT Ind	1,931,200	8-5/16	...
WangLabB	1,751,300	16	+ ⅞
Amdahl	1,448,800	37⅞	+ 1½
Taiwan	1,328,500	33⅛	– 6⅛
WestDigital	1,179,300	29⅞	+ 1⅝

MARKET DIARY

	Last Week	Prev. Week
Advances	404	430
Declined	364	350
Unchanged	154	140
Total Issues	922	920
New Highs	81	97
New Lows	18	13

VOLUME
(4 P.M. New York Close)

	Last Week	Year To Date
Total Sales	70,192,450	594,122,220
Same Per. 1986	85,832,640	509,729,030

The Final Days of a Family Empire

Kroh Brothers expanded recklessly, say critics, as real estate slumped.

By WILLIAM ROBBINS

KANSAS CITY, Mo.

UNTIL last fall, George P. Kroh could not walk into a crowded room in this city that his family has helped to reshape without spending 10 minutes greeting friends. Over three generations, the Krohs had built a reputation for integrity and diligence as they put up suburban homes, shopping centers and office buildings.

Mr. Kroh and his brother, John A. Kroh Jr., had taken the process a step further, parlaying the family's local success into a national real estate company with hundreds of millions of dollars worth of property under its control — most of it suburban office buildings and strip shopping centers.

But in December, the Kroh brothers' real estate empire collapsed, wiping out much of their personal fortunes and finally pulling their corporation, the Kroh Brothers Development Company, into Chapter 11 bankruptcy proceedings last month.

In restaurants, law offices and banks, places where they would have been warmly welcomed six months ago, they have now become objects of derision. Bumper stickers have appeared reading, "Honk if you've been Krohed." The Federal Bureau of Investigation has said that it is looking into whether the Krohs violated any laws as they gathered tens of millions of dollars each year into limited partnerships to buy or build from California to Florida.

Throughout the real estate industry, worry is spreading that the Krohs are only a dramatic example of what may become a wave of bankruptcies of developers, particularly those in the Midwest and Southwest, where the economy is suffering from a severe recession in agriculture and energy. The trend is growing so strong, according to lenders and Federal authorities, that it may increase the number of bank failures, already at an historic high. Other lenders and investors, including insurance companies and individuals, say they will also suffer unless the market recovers.

When the downturn finally caught up with the Kroh Brothers, the company hastily sold out its interests in 77 properties to the limited partnerships that had been set up to finance them.



Kroh's Donald Jones

By mid-February, the Krohs still held stakes in only 47, not all of which were included in the filing for bankruptcy protection. These proceedings so far involve the Kroh brothers individually, their company, a realty subsidiary and 18 separate partnerships.

In most of their projects, banks and insurance companies provided mortgage loans of as much as 80 percent of the cost of a building. Partners invested the 20 percent equity portion of the deal, anywhere from $600,000 on a small shopping center to $16 million on a larger office complex. Under the old tax law, these limited partners could write off on their income taxes the losses from the properties — losses that have been substantial because of the difficulty in finding tenants. The limited partners were not liable for the losses (those were the obligations of the general partner, usually Kroh Brothers). But the limited partners could claim the losses as tax deductions, and in the case of the Kroh properties, these losses often exceeded the original investment.

But Kroh Brothers was able to use the very same tax laws to persuade many of the limited partners into buying out the company's share of the equity before the bankruptcy filing in February. In a bankruptcy proceeding, the I.R.S. is allowed to collect from limited partners the tax benefits they had claimed earlier, so the buyouts, even of money-losing buildings, were the only way the partners could preserve their tax gains.

The brothers themselves and many of their staunchest defenders attribute their fall to the changes in the tax laws last year that wiped out these tax benefits, killing the incentive to invest in limited partnerships. With no new investment in their projects from wealthy outsiders, according to this theory, the brothers' business ground to a halt. After earning a profit of $820,000 in 1985, Kroh Brothers plunged into the hole. According to court records, the company lost more than $25 million last year.

Those who worked feverishly, but unsuccessfully, with them at the end of last year to save the company have a different view of the downfall. They blame the brothers themselves for rushing too fast to turn a stable local company into a giant development organization without imposing the internal controls they needed to keep track of the more than 100 properties in which the family company served as the general partner and manager. Even worse, they say, the Krohs plowed ahead with their expansion program, buying or building for more than two years after it became obvious that their primary markets — Denver, Phoenix and southern Florida — had entered a severe real estate recession.



The Kansas City Times

John and George Kroh in their Kansas City headquarters: The worry in real-estate circles now is that other developers may go broke, especially in the Midwest and Southwest.

THE changes in tax law may have hurt, these participants say, but only to the extent that Kroh Brothers no longer received fee income from organizing new partnerships. The real problem, according to this view, was that many of the properties were losing money and overhead was high. "They thought they could never make a mistake," said a former investor in one of the limited partnerships, who is now struggling to untangle himself from the Krohs. "They kept saying they knew the market would turn, and, when it did, they would have tremendous inventory picked up at bargain prices." But the market has not turned and buildings that Kroh Brothers erected assuming rents would reach $22 a square foot are currently bringing no more than $12. The brothers themselves have said that on the advice of their lawyers, they will not discuss their business affairs.

For the two years before the bankruptcy proceeding, the Kroh Brothers Development Company headquarters in suburban Kansas City had the aura of an investment bank.

"It hummed with an air of efficiency," said a partner in a Kroh Brothers office project. "Dozens of clean-cut young men in suspenders, computers on every desk, a sleak new headquarters building, expensive wood paneling everywhere."

To the outside world, and to George and Jack Kroh, everything seemed to be running smoothly. Some of the city's leading citizens had invested tens of millions of dollars in their projects, and their impeccable reputations in Kansas City had made it relatively simple to attract money to venture farther afield.

"The Kroh family had been in the real estate business for 75 years without defaulting on a project," said one partner who had invested in more than a dozen Kroh partnerships. "Everybody was eager to invest with them or to lend to them."

In the last five years, the Krohs had obtained loans from Citicorp, Chemical Bank, Chase Manhattan and banks in Chicago, Minneapolis, Oklahoma City and Tampa as well as dozens of other cities, some of them small loans from tiny financial institutions. As of mid-January, they owed $486 million in long-term mortgages and $184 million in construction loans, with letters of credit, unsecured loans and other debt taking the total to $773 million.

Outside of the money center banks, the biggest lenders were life insurance companies. Travelers Insurance placed more than $50 million with the Krohs, Mutual Benefit nearly the same. Aetna, the Equitable, New York Life and the Prudential all were involved as lenders.

Until 1982, the Krohs operated a strong local business involved in residential development. The brothers, George, 49, and Jack, 46, had joined their father in the early 1960's. Together, they created the subdivision of Leawood that grew to become a town of its own. Among their projects in the area was a shopping center that was among the first regional malls in the United States.

In 1969 the brothers bought out their father, John A. Sr., and began to concentrate on office construction.

Over the next decade, they developed a reputation for sticking to their commitments. "They were so worried about protecting their good name that when a project did not rent up as they had promised their investors it would, they would cover the shortfall between rent and mortgage payments out of their own pockets," said one partner. "They were sure that the projects would be fully leased eventually, and they could then refinance it or sell it and recover their investment." When a property was sold or refinanced after being fully leased, the partners, who had been enjoying tax benefits for years, could also recover their original investments, paying the low capital gains tax rate on any profits. And during the late 1970's, a period of high inflation, the Kroh buildings sold easily. Real estate was a stellar performer.

From each partnership, Kroh Brothers received management and development fees that helped pay for the overhead of running a growing company. From the growing fee income and the sale of properties in the good years, they opened regional offices in Denver, Phoenix and elsewhere, maintaining staffs of more than 25 people at some of them even when they ran out of projects to develop or failed to lease those they had built or acquired. They acquired such corporate frills as an expensive company plane to shuttle between cities where they had projects under way.

BUT the sharp drop in inflation during the 1980's and a simultaneous boom in construction created strong downward pressures on rents. "Suddenly, not only was the income not growing, it was even starting to fall," said a former partner.

The brothers, meanwhile, had come to depend on an infusion of cash at the end of every year when they created new limited partnerships. The partnerships not only generated fee income but also provided enough capital to refinance debts on some projects, and to pay the salaries of a company that had grown to more than 400 employees by the end of 1985.

That was the last good year for forming new partnerships. The likelihood of tax revision began to dampen the partnership market early in 1986. "Even in January, you could see that a tax bill might come about after all," said another partner. "I told George Kroh he was crazy to keep expanding. Between the pending tax bill and the terrible glut in the market, I told him he was going to get in deep trouble, but he said that a developer has to keep adding property to develop."

Kroh Brothers already operated 52 shopping centers, 41 office projects, 6 medical buildings and 16 other properties. The company was spread across 13 states. But even as late as last year, the brothers had 16 more projects under way.

The tax law did pass in August, and by the time the Krohs tried to sell their limited partnerships in October, as they had done easily in each of the 10 years before, investors were turning their attention to stocks and bonds. "We had been able to sell $25 million a year in new partnerships to 15 or 20 new investors, most of them near the end of the year," said Donald W. Jones, who took over as president of the company in January. "In 1986, we attracted only two new investors." As a result, development fees collected by the company plummeted to $342,000, from $9.6 million in 1985.

The brothers turned for help to an old friend, Herbert Allen Jr. at Allen & Company in New York. Mr. Allen had been John Kroh's classmate at Williams College. A rescue squad swarmed into Kansas City in an 11th-hour attempt to renegotiate loans and restructure the company, according to The Kansas City Business Journal, a local newspaper that has tracked the company's troubles since they first surfaced in December.

One former partner described the scene at the headquarters as an emergency room. "When I went to the office in December to meet with them about our project, I didn't see anybody I had ever seen before," he said. "Everybody there worked for Allen & Company."

The Allen team almost pulled off its mission. The firm agreed to cover the company's immediate obligations if the major lenders would provide an additional $30 million in short-term financing. The refusal of one bank to go along sank the effort, an Allen & Company spokesman said.

"There were four major office projects in trouble," according to one of the partners who had been involved. "If they could have worked out a restructuring on them, that would have given them breathing room for eight or nine months."

The brothers' 81-year-old father has his own view of his sons' downfall. He told The Kansas City Times that the changes in the tax laws had little to do with it. "The problem was they just stopped watching the cash register," he said. ■

EVEN WITH NO DEDUCTION **PARTNERSHIPS ARE HOT**

Kroh Brothers may have had trouble selling limited partnership shares last year, but according to Investment Partnership Association, an industry trade group, this year investors are pouring money into real-estate partnerships to buy everything from Burger King franchises to the Empire State Building.

True, the Tax Reform Act of 1986 has scared investors away from those partnerships that relied on tax breaks rather than income for their profits. But the skeptics who thought tax changes might crush this business are turning out to be wrong. New partnerships that invest in fully leased, profitable buildings are offering investors high cash yields, stability and the potential of long-term appreciation.

In fact, the association is projecting record sales of public partnership programs in 1987. "Nationally, we're seeing a product that is booming," said Christopher L. Davis, the association's president.

The climate has certainly improved for developers like Bernard Mendik, one of New York's largest commercial landlords. Mr. Mendik formed a new venture with E.F. Hutton last year to raise money to purchase and renovate office buildings in Manhattan. Sales got off to a slow start when tax revision scared away many investors. "I was a victim of the marketplace," he said. Now that it is clear that this venture does not rely on tax breaks, Hutton has raised $100 million.

Another brokerage firm, Shearson Lehman Brothers, expects to increase by half the $1.2 billion worth of limited partnerships it sold in 1986, according to R. Keith Butterfield, director of limited partnerships. His sales pitch stresses the cash return. "Nothing puts cash in the pocket of an investor faster than a partnership," he said. "It is one of the few vehicles that doesn't pay a corporate level tax." (Returns from limited partnerships, like the yields from mutual funds, are taxed only when the income is distributed to the investor.)

Mr. Davis, however, touts the advantages of investing in an industry with a record of steady appreciation. "The unsophisticated investor may rush into the stock market," he said. "The more sophisticated are looking for more stability."

Not everyone is so enthusiastic. According to Daniel W. Horchler, an associate editor for Robert A. Stanger & Company, a firm that conducts research on limited partnerships, the deals have their drawbacks. If they go sour, he says, investors can have a tough time selling off their shares. "Since many limited partnerships have no formal marketplace," he said, "you could get stuck."

HOLLY ORNSTEIN

The New York Times

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The President and the Truth

Will Ronald Reagan's Presidency end in 22 months of floundering as his Administration runs down like a wind-up toy?

Or will it end upbeat, with a healthy economy, a rapidly declining budget deficit and, to top it all off, a new agreement with the Soviet Union sharply reducing nuclear weapons?

By appointing Howard Baker as his chief aide, the President gives an impressive sign that he wants a strong staff. Does he also wish to be a strong President? The first answer to that will come Wednesday, when he addresses the nation in response to the Tower Commission's withering assessment of the Iran-contra scandal.

The test of that speech, and of the next 22 months, will be the President's attention to the truth.

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The public recoiled when President Reagan, who had so passionately denounced the Looney Tunes in Iran, was forced to admit he'd sent them weapons, and for ransom at that. Last week, he further splintered public trust when he said he didn't remember approving the first shipment — as if sending arms to revolutionary Iran is as consequential as whether or not you sent the brown suit to the cleaners.

"I don't remember" prompted ridicule, the more so because it followed so many other shaky answers: Well, yes, we wanted to free the hostages but only in the context of seeking ties to Iranian moderates ... Well, no, they weren't really moderates but we sent only a small amount of arms ... Well, yes, it turned out to be several thousand missiles, but they were *defensive* weapons that didn't affect the Iran-Iraq war.

In the wake of the Tower Commission report, there is no more room for don't remembers, missing documents, gilded chronologies, deniability and deceit. On Wednesday, the President must be willing to acknowledge the truth about how his National Security staff could have run a rogue, privatized foreign policy for so long: either because, in truth, he wanted it to, or because, irresponsibly, he simply didn't do his job.

Even before the crisis, the President was famous for fudging facts. Recall his 1980 campaign claim that "Approximately 80 percent of our air pollution stems from hydrocarbons released by vegetation." Or his 1982 assertion that there were no more segregated schools in America. Or his 1985 claim that there were no more segregated hotels and restaurants in South Africa. Or that the Russian language has no word for freedom. The word is *svoboda*.

Nevertheless, none of it seemed to make any difference. The President was, people said, Teflon-coated. When he "misspoke," the public, whose trust he had won, dismissed it as harmless storytelling. But the taste for exaggeration went well past anecdotes.

Just wait, Mr. Reagan promised early in his term. When we cut taxes, that will stimulate so much business that tax revenues will come pouring in. The country is now a trillion dollars deeper in debt. The Administration claims that its new budget cuts the deficit to the statutory goal of $108 billion, in the teeth of expert Congressional estimates that the figure will be $134 billion.

Will this President, such a skilled salesman and rousing performer with a script, offer more in the same vein when he responds to the Tower Commission? If so, the next 22 months will look long and gray indeed. But if Mr. Reagan now means to govern, he'll acknowledge that yes, he made mistakes; yes, he remained indifferent, even irresponsibly so, to what his subordinates were doing.

Howard Baker should be a sterling chief of staff but his appointment still doesn't answer the central question: Who's in charge here? By speaking with candor and without exaggeration Wednesday, the President can at last begin to give the only right answer: I am.

A New Strategy Against AIDS

Homosexual rights groups and television crews streamed into Atlanta last week to eavesdrop on a meeting convened by the Federal Centers for Disease Control. What drew the crowds were suggestions that the agency was preparing to advocate mandatory testing for the AIDS virus, which homosexual groups intensely oppose.

Public health officials have almost no weapons but the AIDS antibody test to combat the deadly disease, and the agency wanted to hear their views on how the test might best be used. Despite disruptions, the tension between the two groups gradually ebbed: the health officials made clear they want wider voluntary use of the test, but are almost unanimously opposed to mandatory testing.

From the Atlanta meeting emerged a new public health strategy against AIDS, but one that requires the Reagan Administration to reverse course and provide the necessary legal framework.

☐ *Mandatory testing.* With no cure or vaccine for AIDS, the only way to prevent spread of the virus is to persuade people to change behavior. The test for antibody to the AIDS virus has proved effective in screening blood donations. Why not make the test mandatory at hospitals and V.D. clinics so that carriers can be identified and encouraged not to spread it? Because *mandatory* testing would frighten away those who most need to be reached. Unless confidentiality and freedom from discrimination can be better assured, those who test positive have reason to fear loss of housing, jobs and health insurance. Hardly a single public health official at the conference favored mandatory testing.

☐ *Voluntary testing and counseling.* Almost all the authorities favor encouraging more people to take the test voluntarily, provided that it is purely an adjunct to counseling. Counseling, both before and after the test, is what seems most likely to make people avoid high-risk behaviors. That's the rationale behind New York State's large new expansion of voluntary counseling and testing.

☐ *Broad-based testing.* Is it worth encouraging voluntary testing for everyone? Probably not; screening the 37 million people admitted to hospitals each year would not be cost-effective. The 1.5 million Americans now estimated to carry the virus are predominantly homosexuals and intravenous drug addicts. Testing should be routinely offered, and informed consent obtained, at V.D. clinics and drug treatment centers. Many health officers now consider it worthwhile to trace and offer counseling to the sexual partners of those who test positive.

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Wider counseling and testing could save many lives. But it has little chance of being fully effective without firmer assurances of confidentiality and guarantees against discrimination. State laws that provide such protections are not always enforced. Instead of setting an example, the Justice Department last June *denied* AIDS carriers the protection of the law shielding the handicapped from discrimination. It ruled that a Federal employer could cite fear of AIDS as a reason for dismissal. By repudiating that opinion, the Administration would help create the framework for public health officials to make most effective use of counseling and testing.

A vigorous public education program should be the second part of its strategy. Third, equally important, drug addicts seeking detoxification need to get treatment immediately and not after the wait of months, even years, they now face in New York and elsewhere. An Administration that pursued those goals could be said to be taking the AIDS epidemic seriously.

Topics

Freedoms, Great and Small

Also a Legend

Dr. Martin Luther King Jr. won a Nobel Peace Prize and had a national holiday created in his memory. Rosa Parks became legendary as the woman who refused to give up her seat at the front of a Montgomery, Ala., bus. E. D. Nixon, who died last week at 87, remained relatively obscure. Yet his life demonstrated as clearly as Dr. King's and Mrs. Parks's that an individual has the power to make a difference.

Mr. Nixon made his living as a pullman porter. But he made his life's work gaining freedom for himself and fellow blacks. He seems never to have doubted that it was possible or that he had a role to play in it. In the 1920's, he joined with A. Philip Randolph to organize the Brotherhood of Sleeping Car Porters, the first successful black labor union. In the 1940's, as head of the Voters League of Montgomery, he led 750 black citizens to the county courthouse to demand that they be allowed to vote. In 1954, he ran for — and lost — a county office of the Democratic Party, but was the first black to seek political office in Montgomery since Reconstruction.

In 1955, when Rosa Parks was arrested for refusing to yield her seat in the front of the bus, Mr. Nixon, head of the Montgomery Improvement Association, bailed her out of jail and began organizing the city's blacks for a boycott. He enlisted the young minister Martin Luther King Jr. to lead the protest.

"I knew then that something could be done," Mr. Nixon said years later. It went without saying that he would have a hand in doing it. His legacy is a changed nation.

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Toad Thoughtful

Spring will come soon enough to England, and the English are getting ready for it — including English toads.

In spring, they hop to their traditional breeding ponds as best they can, which nowadays may mean perilous crossings of roads that intersect the traditional breeding routes.

Alert to the problem, the British Fauna and Flora Preservation Society is therefore building concrete toad tunnels under a street that lies across a toad hopway near Henley-on-Thames. Those toads smart enough to find the tunnels (perhaps with the help of toad-size guide rails) are assured safe passage and carefree mating.

The English have always been good about remembering all God's creatures great and small, especially small. The English love hedgehogs and butterflies and they breed champion mice for exhibition. But Americans ought not to dismiss the toad tunnels as hopelessly quaint.

The lifesaving access for toads, after all, also constitutes an amenity for humans, who will no longer have to cope with the remains of toads squashed inadvertently in traffic. Come springtime, American country roads are littered enough with crushed toads, turtles, raccoons and woodchucks. Where fauna engineering might spare them, it ought to be tried.

Letters

Space Station Is America's Leg Up to the Stars

To the Editor:

In "The Poverty of NASA's Dreams" (editorial, Feb. 12), discussing United States space program plans, including a space station, you say, "The station serves no great goal." You are wrong.

The space station is the essential link to virtually *all* great goals in space; it was implicit in nearly every facet of the ambitious long-term space plan proposed last year by the National Commission on Space. The Russians long ago recognized the critical need for a space station: they have maintained one in orbit almost continuously since 1971. The National Aeronautics and Space Administration recognized such a need in the 1960's, but could not gain support comparable to that in the Kremlin.

You say, "Space exploration would have little use for shuttles or space stations." You are wrong. Certainly, the early phases of space exploration were properly — and spectacularly — performed by unmanned spacecraft. But many of the relatively simple missions that can be accomplished by wholly robotic systems have already been flown or are in preparation.

The next great wave of deep-space exploration will be done by man-tended large observatories like the Hubble space telescope and the advanced X-ray astronomical facility, and the next jump in planetary exploration involves far more complex tasks than Voyager or even the $1.2-billion (in 1975 dollars) Mars Viking could handle. Although such spacecraft *could* be made completely autonomous, it becomes increasingly expensive to do so. As Arthur C. Clarke remarked when NASA's $50-million orbiting astronomical observatory failed in orbit in the 1960's, "A man with a screwdriver could probably have fixed it in 10 minutes."

Finally, you support a joint manned flight to Mars by the United States and the Soviet Union. At last we agree. You are right! But do you think it is possible simply to plunge full tilt into so sophisticated an undertaking? A round trip to Mars will take perhaps three years. Where do we conduct the microgravity research and testing needed to learn how to keep the crew alive, healthy and sane during such a flight? Where do we learn how to design, qualify and maintain the complex equipment needed for so elaborate a vehicle? How do we reduce the enormous cost of the launch vehicle needed for so heavy a payload?

There are answers to these questions. We can find them by using a space station, with its long-term microgravity environment, its laboratories and test equipment, and its assembly and construction facilities.

You are right: "The public thirsts for both science and adventure." But when you say, "the planned space station is a poor vehicle for either," you are dead wrong. JERRY GREY
New York, Feb. 17, 1987

The writer is past president of the International Astronautical Federation.

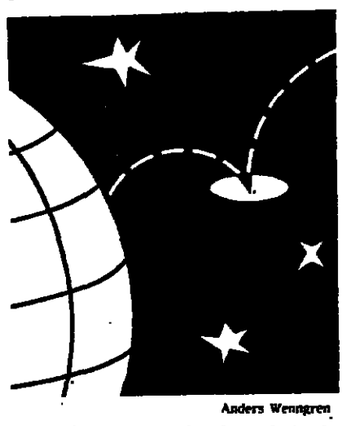
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Colonize the Moon

To the Editor:

"The Poverty of NASA's Dreams" demonstrates that you have not learned the most valuable lesson of the Apollo lunar missions: that a space project whose only real emphasis is its symbolic value will not be the foundation on which to build an ever-more expansive and effective space program. Like the Apollo series, a Mars mission is likely to prove to be nothing more than expensive entertainment within ours, or our children's, lifetimes.

If we do indeed want a vigorous space program that both meets practical needs and stirs people's



Anders Wennigren

sense of adventure, the clear choice is for the United States to return to the moon to set up permanent colonies, and create an infrastructure that can be our steppingstone to the planets and the stars.

To colonize the moon will require a coordinated national and international effort and accelerated development of advanced technologies. It will provide the experience of living and working in space for extended periods. The lunar surface will be the ultimate "space station."

Once we can look up at the night sky to see a resplendent moon and know that ever-increasing numbers of Americans are exploring and developing the lunar surface, then and only then will we be convinced and committed to our inevitable destiny beyond the Earth. ARTHUR R. PICCOLO
New York, Feb. 12, 1987

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New Arena of Conflict?

To the Editor:

The central arms-control issue now affecting U.S.-Soviet relations, as described in your Feb. 17 front-page article, is the "legally correct" interpretation of the testing and development provisions of the Antiballistic Missile Treaty. In a photo accompanying the article, Senator Sam Nunn, chairman of the Senate Armed Services Committee, is deep in study of the 1972 negotiating records to help him interpret those provisions.

Whether the provisions of the ABM Treaty permit "Star Wars" testing is a legally and politically intriguing question. That question, however, is irrelevant — or at most a footnote — to the basic issue in arms control that should be absorbing the intellectual energies of United States and Soviet policy makers.

That issue is whether the U.S.-Soviet military confrontation is to move to the frontier of space. The superpowers now confront each other on Earth with conventional and nuclear weapons. Is it in the national interest of each nation to expand that confrontation into space?

I think not. It is unfortunate that the arms-control debate being carried on with such vigor revolves around a few words in a treaty rather than on the issue of the militarization of space. CARL MARCY
Annapolis, Md., Feb. 19, 1987

The writer, former Senate Foreign Relations Committee chief of staff, was also co-director of the American Committee on U.S.-Soviet Relations.

Going Far Beyond Miranda Rules in Fair Treatment of Suspects

To the Editor:

In "Guilt and Mr. Meese" (editorial, Jan. 31), you attacked my office's recommendation to the Attorney General that the Department of Justice should seek a reconsideration of the Miranda decision by the Supreme Court. Your statement reflects basic misunderstandings of current law and my recommendation.

The Constitution itself simply provides that a person cannot be compelled to incriminate himself. The Miranda decision emphasized that the warnings-and-waiver routine and other restrictions it delineated are only one approach to guarding against unconstitutional coercion in questioning suspects, and explicitly urged the Federal Government and the states to continue to search for better procedures. Numerous more recent decisions of the Supreme Court — including Michigan v. Tucker (1974), New York v. Quarles (1984), Oregon v. Elstad (1985), Moran v. Burbine (1986) and Connecticut v. Barrett (1987) — have similarly emphasized that the Miranda rules are not constitutional requirements, but measures adopted to guard against coercion.

Against this background, your idolization of the Miranda procedures is hopelessly dogmatic and inconsistent with the Miranda decision itself. The report setting out my office's recommendations emphasized that changes in Miranda should be approached in a rethinking of policies on questioning of suspects, which could include such reforms as videotaping or recording interrogations, imposing time limits on questioning and prescribing rules on behavior and demeanor in questioning suspects. Such measures would go far beyond the Miranda rules in insuring fair treatment of suspects, but would not carry Miranda's heavy costs to the effectiveness of police investigations.

You were equally far off the mark in suggesting that it would be pointless to ask the Supreme Court to revisit the ground rules governing the questioning of suspects. The Court has always held that the Miranda rules are not constitutional requirements, and Congress responded to the Miranda decision in 1968 by enacting a statute (18 U.S. Code, 3501) that directs incriminating statements by defendants to be admitted in Federal prosecutions under the traditional standard of voluntariness. In other words, statements are admissible under this statute unless obtained through compulsion in violation of the Fifth Amendment, whether or not the specific measures suggested in Miranda were followed.

The question is not whether "those Justices seem to have made their peace" with Miranda, but whether the Court would take the unprecedented and inexplicable step of holding unconstitutional a Federal statute that simply provides for admission of statements in conformity with the Constitution. STEPHEN J. MARKMAN
Asst. Atty. General, Legal Policy
Department of Justice
Washington, Feb. 13, 1987

Color-Coded Gasoline

To the Editor:

There might be a simple way to know if you're getting premium gasoline when you pay for it (Consumer Saturday, Feb. 14). Aviation gasoline is color coded by octane regardless of supplier. Automotive gasoline could be treated similarly. At delivery to your car, the gasoline would pass through a clear tube revealing its color. This would have to be a tamper-proof pumping device that received periodic checks from a supervisory agency. MARIO DE MARCO
Midland Park, N.J., Feb. 15, 1987

A Burning Question

To the Editor:

On a recent visit to the United States, I found an almost fanatical campaign against smoking. Yet in every restaurant and hotel we were presented with matchbooks. What, I ask, are they trying to encourage? Arson? F. ASHE LINCOLN
London, Feb. 17, 1987

Support for Jefferson-Sally Hemmings Liaison

To the Editor:

John J. McCartney, writing of "the story of Thomas Jefferson's slave mistress, Sally Hemmings" (letter, Feb. 15), made a call "for accurate historical scholarship." It is to this call I respond.

The 1801 political ploy aspect of the Hemmings-Jefferson story is well known. However, another dimension to the story is constantly overlooked. Such eminent scholars as John C. Miller ("Wolf by the Ears") and Fawn M. Brodie ("Thomas Jefferson: An Intimate History") have traced and documented the Hemmings-Jefferson liaison, which began as far back as 1787, when Jefferson was Minister to France. Sally had accompanied Jefferson's daughter Mary on her trans-Atlantic voyage from the United States to France.

Jefferson himself has left documents that lend insight into his relationship with Sally Hemmings. Through his accurately kept account books, Jefferson documented each of her children's births, all of which occurred approximately nine months after Jefferson returned to Monticello after having been away on political business (see Brodie).

And despite his serious financial straits and his desire to provide for his family after his death, Jefferson made provisions in his will for the emancipation of Sally and her children (see James A. Beard, "Jefferson at Monticello").

Erick Erickson, in "Dimensions of a New Identity," reminds us that Jefferson was indeed a victim of his upbringing, of that Southern plantation socialization that gave credence and acceptability to such relationships between masters and slaves.

Prof. Dumas Malone, in one of his last interviews, in The New York Times, did in fact acknowledge the relationship between Jefferson and Sally Hemmings.

In conceding what we may perceive as serious flaws in Thomas Jefferson's personal life, we do not take away from his many accomplishments or from his greatness. As we look back in history, we must remember that we cannot judge 18th-century life styles by 20th-century standards. LAURA RICKARBY JORGE
Forest Hills, Queens, Feb. 20, 1987

The writer is a doctoral candidate in the department of history at Columbia University.

Washington and Irving

To the Editor:

That accomplished biographer and historian James T. Flexner may indeed be quite correct (Weekend, Feb. 13) in believing George Washington "never kissed a baby." It is on record, however, that, at least once, this reserved Founding Father unbent enough to give a proferred youngster his blessing with a pat on the head.

In a Manhattan shop, when Washington Irving (1783-1859) was 6 years old, the family's Scottish maidservant saw the General and called attention to the boy, announcing, as an Irving biographer put it, "Please your Honor, here's a bairn named after you." Washington responded cooperatively.

This memory remained very clear to Washington Irving over a long lifetime as author, at the end of which he capped his career, so he felt, with a well-wrought, and well-received, biography of the by-then legendary first President. ANDREW B. MYERS
President, Washington Irving Society
Tarrytown, N.Y., Feb. 14, 1987

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.

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WASHINGTON
James Reston

Fixing Humpty Dumpty

WASHINGTON

In picking Howard Baker of Tennessee to be his White House chief of staff, President Reagan may even have chosen his successor.

For by this single stroke he has changed the atmosphere here, raised the prospect for bipartisan cooperation in both domestic and foreign policy, and transformed the Presidential election of 1988.

This may be saying too much for Howard Baker, since he says he is not a candidate, but as noted in this corner the other day, if members of the Congress had the power to appoint the politician best qualified to be the next President of the United States, they would probably choose the little man from Tennessee.

Much will depend, of course, on how President Reagan himself reacts to the fair and judicious but severely critical report of the Tower Commission's findings on his misjudgments of the Iranian arms deal.

He has acted wisely and quickly in replacing Don Regan with Mr. Baker as soon as the report was published, and we will know more when Mr. Reagan addresses the nation whether he intends to let Baker be Baker or expects him to follow Mr. Regan's policy of letting Reagan be Reagan.

If, however, the President really wants to get on to the problems of the future with nonpartisan support in his next two years, as he says, Mr. Baker can help him in what obviously will be a most difficult task. At least Mr. Baker will change the mood.

There has always been something fantastic and exaggerated about the Reagan-Regan White House. The President couldn't even have a normal "great fall" like any other Humpty Dumpty; it had to be a helluva crash.

For him everything seemed true but the facts, and Mr. Regan egged him on. There was something bizarre and even weird about all this, both unimaginable and inevitable. Mr. Reagan tried to balance the budget by cutting taxes, and bring peace on earth by invading the stars. Washington always knew he couldn't keep on

Baker can help change things, but Reagan must let him.

floating along like this, without visible means of support, but it wasn't prepared for this free fall to disaster.

Given a chance, Mr. Baker is likely to change the question and open the doors.

For he is above all a practical man, more concerned with the public trust than with public opinion, with building coalitions across party lines than with ideology or even partisan advantage.

No doubt this will trouble the right-wing zealots in his party who concentrate on cutting taxes and bashing Communists. Ideology aside, however, Mr. Baker will want to know if the policies work; and on present evidence of the budget deficit, the trade deficit and the state of U.S. policy with the Russians and the allies, they are not working now.

It doesn't follow, of course, however well he does, that this will pitch Mr. Baker into the Presidential race. In fact, it will take him right out of it for the foreseeable future, for he will have to scrap whatever political organization he now has, and concentrate on his White House job.

But if he does that job between now and the political nominating convention, much may change. Perhaps the most important function of a public servant in a free and democratic society is to preserve its oneness while he guides the battles that divide it.

Mr. Baker is obviously and intuitively qualified to do this without rancor, gathering trust because he gives it and working through the tangles of government because he believes in it.

He has been in eclipse since he resigned as Republican leader of the Senate, but he now will be as much in the limelight as he chooses to be.

He has good personal relations with Secretary of State Shultz, whose job he once coveted; and with the support of the President and the Congressional leaders, he may even be able to put Humpty Dumpty back together again.

He has been summoned in this crisis because he can be a restorer of order and serenity after years of ideological turmoil and faction. If he succeeds in this assignment, or even if he makes a difference that is visible to the people, it is at least conceivable that he could be drafted for higher service as General Eisenhower was in 1952.

After all, the competition is not all that formidable in either party. President Reagan will not be in the race, and maybe by then even Iran will be no more than a shameful memory. □

In Defense of Voluntary Euthanasia

By Sidney Hook

STANFORD, Calif.

A few short years ago, I lay at the point of death. A congestive heart failure was treated for diagnostic purposes by an angiogram that triggered a stroke. Violent and painful hiccups, uninterrupted for several days and nights, prevented the ingestion of food. My left side and one of my vocal cords became paralyzed. Some form of pleurisy set in, and I felt I was drowning in a sea of slime. At one point, my heart stopped beating; just as I lost consciousness, it was thumped back into action again. In one of my lucid intervals during those days of agony, I asked my physician to discontinue all life-supporting services or show me how to do it. He refused and predicted that someday I would appreciate the unwisdom of my request.

A month later, I was discharged from the hospital. In six months, I regained the use of my limbs, and although my voice still lacks its old resonance and carrying power I no longer croak like a frog. There remain some minor disabilities and I am restricted to a rigorous, low-sodium diet. I have resumed my writing and research.

My experience can be and has been

A meditation upon being infirm.

cited as an argument against honoring requests of stricken patients to be gently eased out of their pain and life. I cannot agree. There are two main reasons. As an octogenarian, there is a reasonable likelihood that I may suffer another "cardiovascular accident" or worse. I may not even be in a position to ask for the surcease of pain. It seems to me that I have already paid my dues to death — indeed, although time has softened my memories they are vivid enough to justify my saying that I suffered enough to warrant dying several times over. Why run the risk of more?

Secondly, I dread imposing on my family and friends another grim round of misery similar to the one my first attack occasioned.

My wife and children endured enough for one lifetime. I know that for them the long days and nights of waiting, the disruption of their professional duties and their own familial responsibilities counted for nothing in their anxiety for me. In their joy at my recovery they have been forgotten. Nonetheless, to visit another prolonged spell of helpless suffering on them as my life ebbs away, or even worse, if I linger on into a comatose senility, seems altogether gratuitous.

But what, it may be asked, of the joy and satisfaction of living, of basking in the sunshine, listening to music, watching one's grandchildren growing into adolescence, following the news about the fate of freedom in a troubled world, playing with ideas, writing one's testament of wisdom and folly for posterity? Is not all that one endured, together with the risk of its recurrence, an acceptable price for the multiple satisfactions that are still open even to a person of advanced years?

Apparently those who cling to life no matter what, think so. I do not.

The zest and intensity of these experiences are no longer what they used to be. I am not vain enough to delude myself that I can in the few remaining years make an important discovery useful for mankind or can lead a social movement or do anything that will be historically eventful, no less event-making. My autobiography, which describes a record of intellectual and political experiences of some historical value, already much too long, could be posthumously published. I have had my fill of joys and sorrows and am not greedy for more life. I have always thought that a test of whether one had found happiness in one's life is whether one would be willing to relive it — whether, if it were possible, one would accept the opportunity to be born again.

Having lived a full and relatively happy life, I would cheerfully accept the chance to be reborn, but certainly not to be reborn again as an infirm octogenarian. To some extent, my views reflect what I have seen happen to the aged and stricken who have been so unfortunate as to survive crippling paralysis. They suffer, and impose suffering on others, unable even to make a request that their torment be ended.

I am mindful too of the burdens placed upon the community, with its rapidly diminishing resources, to provide the adequate and costly services necessary to sustain the lives of those whose days and nights are spent on mattress graves of pain. A better use could be made of these resources to

'My wife and children endured enough for one lifetime.'

increase the opportunities and qualities of life for the young. I am not denying the moral obligation the community has to look after its disabled and aged. There are times, however, when an individual may find it pointless to insist on the fulfillment of a legal and moral right.

What is required is no great revolution in morals but an enlargement of imagination and an intelligent evaluation of alternative uses of community resources.

Long ago, Seneca observed that "the wise man will live as long as he ought, not as long as he can." One can envisage hypothetical circumstances in which one has a duty to prolong one's life despite its costs for the sake of others, but such circumstances are far removed from the ordinary prospects we are considering. If wisdom is rooted in knowledge of the alternatives of choice, it must be reliably informed of the state one is in and its likely outcome. Scientific medicine is not infallible, but it is the best we have. Should a rational person be willing to endure acute suffering merely on the chance that a miraculous cure might presently be at hand? Each one should be permitted to make his own choice — especially when no one else is harmed by it.

The responsibility for the decision, whether deemed wise or foolish, must be with the chooser. □

Sidney Hook, emeritus professor of philosophy at New York University, is senior research fellow at the Hoover Institution on War, Revolution and Peace.



Samuel Bayer

ON MY MIND
A. M. Rosenthal

The Sentimental Realists

Today, tomorrow and for some weeks to come, the story of the Tower report will be what was in it, the steps Ronald Reagan takes to try to save his Presidency and whether he is capable of doing so.

But a year from now, five years from now and as long as this incident in American history is written about, the story of the report will be even more about the very fact of its existence and what that means.

For one thing, it means that the President of the United States, confronted with his own and his Administration's failure to understand and protect the process of government, called for help and received it.

The friends of the President know that. They say Mr. Reagan, Mrs. Reagan and those they listened to agreed to three men, John G. Tower, Brent Scowcroft and Edmund S. Muskie, who could be expected to tell as much of the truth as they could find, as swiftly and plainly as possible. To do otherwise would have damaged reputations built up over their lifetimes.

Those intimates who wished to protect Mr. Reagan's place in history knew that he needed the help of men who were not enemies but would show him and the public simultaneously what they knew of the truth, so neither could escape it.

Mr. Reagan may find a way of restoring some of his dignity. But even with Howard Baker's help he may may not and just shuffle through the rest of his Presidency. It is not inconceivable that a present or future illness coming on top of the failures that led up to the report might persuade him to step aside one way or another. There was talk about this among some of his friends a few weeks ago — not a plan, but not a fantasy; a disliked possibility that had to be faced.

There will be more information coming from other inquiries. But the clarity of the Tower report and the need for action it makes so vivid could help Ronald Reagan do what certainly almost all Americans hope he can do — serve out all of his elected term.

But whatever happens, the most important historic meaning of the report is that although the process of government was perverted — the essential techniques of working out policy, subjecting it to criticism, involving those who should be involved, guarding against violating the law — the system of government remained strong.

Meanings of the Tower report.

The system of American government showed not only that it had checks and balances but was capable of restoring them when they were ignored, capable of self-healing.

We have seen how quickly the process of government can be wounded and we have seen how quickly the system itself responds when the wound is exposed. This is not because of some governmental or philosophic wizardry. It is because the way the Constitution was conceived, written and interpreted, wounds of abuse inflicted upon it cannot fester in the dark long enough to become fatal.

But the system consists of two things — the Constitution and a social contract among Americans to believe in it, protect it and abide by it. At any given time there will be those who will subvert the Constitution, or try to. But as long as there are enough who will protest and protect, the system will exist.

Alone, a constitution means little or nothing. Despotisms dearly love fine-sounding constitutions. And there are democracies that are fragile and exist from day to day because their leaders, sworn to uphold the constitution, destroy it for the sake of feud or gain.

The Constitution is written down, there to see, but how do you protect the other part of the system, the belief in it, the determination to abide by it and to struggle with those who either do not care or do not understand?

Faith in it is one way, not mystical faith but the faith that comes out of history. It has worked well, it works well now, it can be expected to work in the future — the faith of experience.

Faith, and self-interest — almost all Americans know they breathe free under the Constitution, and that is among the greatest of self-interests.

And of course the knowledge that for every person in government willing to cut the corners of the Constitution there are many more in government and out who will say you cannot do it.

Is this sentimental? Yes, since belief in freedom is certainly a sentiment. Is it realistic? Yes, since it has been tested and proved. Come to think of it, that is not too bad a description for those of us who felt that the commission report, even if other unpleasant truths are revealed, served the country and the system well.

Sentimental realists, perhaps like Edmund Muskie, Brent Scowcroft and John Tower. □

The Real Lesson of 'Amerika'

By Benjamin R. Barber

PRINCETON, N.J.

Behind the layers of soap opera cliché, turgid plotting and cold war demogoguery of the much debated but little watched television series "Amerika" lurks a pointed political moral: The domain of the citizen is vanishing in America, and in its absence democracy is becoming ever more vulnerable — not to wolves wearing red stars preying from without but to atrophy and petrification from within.

Unhappily, the producers and writer-director Donald Wrye did their utmost to conceal this telling lesson, not merely by creating an elephantine show too stupifying to watch let alone learn from, but by burying their moral in a morass of ideological contradictions that taught quite contrary lessons. For every mea culpa in their debate about the demise of democracy, there were a dozen self-exculpatory fingers pointing to external villains: fifth columnists who sell America down the river to realize their fellow-traveling liberal agendas, jackbooted East Germans using a perverse facsimile "United Nations" to club the resisting nation into compliance, skillful Soviet advisers sweet-talking the doubters into servitude.

The theme of "Amerika" was nominally the demise not just of America but of the spirit of democracy. That spirit was, over 14 hours, reduced to a vacuous patriotism. When democracies collapse, however, it is not because they have forgotten how to pledge allegiance to the flag but because they have forgotten the meaning of citizenship. History suggests that free republics rot from within before they are dispatched from without.

Benjamin R. Barber, visiting professor of politics at Princeton University, is author of a recent book on democracy.

It was not the Spartans who wrecked Athenian democracy nor the Visigoths who brought down the Roman republic. Alexander Kerensky's Russia, Spain under the Republic and Weimar Germany self-destructed, for democracy expends itself as it functions. It depends on a noisy, fractious and self-critical politics, which in turn demands an extraordinary degree of civic resilience and public spirit. These traits are usually thought to be incompatible with great wealth and inequality, with extended empire and an exclusively private pursuit of individual happiness.

Had they put their soap epic to the end of teaching such unpopular lessons as these, the creators of "Amerika" would have performed the kind of public service they invoke in defending their work. They approached self-scrutiny in one or two scenes. A sympathetic Russian reminds his embittered American subjects, "You lost your country before we ever got here," and the nebulous plot does intimate that the Soviet Union moved into a vacuum of wholly American origin.

Somewhere in his soul, Mr. Wrye may have wanted to make a film about citizenship, apathy and the imperatives of civic responsibility: "If democracy perishes," he seemed at certain moments to say, "it will be *our* fault." But the message that snored forth from his sleeping behemoth is quite otherwise. That message, punctuated by the machine-gunning of Congress and burning of the Capitol, reads: "It is *their* fault — the Russians and Communists and liberals and fifth columnists and disarmers and One Worlders and dogooders who have stolen our liberty. To get it back is to wrest it away from these bogeymen."

Yet though liberty may be acquired, once lost it is rarely regained. To make selfish individuals out of citizens is easy, to make such individuals back into citizens nearly impossible. Jean-Jacques Rousseau complained about his own century: "We have physiocrats, geometricians, chemists, astronomers, poets, musicians and painters in plenty; but we have no longer a citizen among us." Americans make of Rousseau's complaint a boast: "We have lawyers, bankers, arbitragers, brokers, doctors, teachers and workers enough. We leave politics to the politicians. What need have we for citizens?" But without citizens there is no public domain, no commonweal, no civic responsibility — and so, all too soon, no democracy.

At the end of the series, Mr. Wrye's Amerikans rediscover their spirit and seem on the brink of repossessing their freedoms. But America's real Americans, without having yet lost their liberty, seem more concerned about enlarging their private sphere of happiness than invigorating the public sphere in which civic freedom flourishes. They confront without a murmur the wholesale privatization of their country, the selling of the public trust into private hands, the transfer of public tasks (prisons, hospitals, schools) to private profit groups, the redefinition of public responsibilities

We must worry about atrophy and petrification from within.

What citizenship means.

(welfare, support for the arts) as private functions. And what remains of the public domain they leave to politicians and bureaucrats, complaining only when zealots like Lieut. Col. Oliver L. North run amok.

The protagonists of "Amerika" prattle a great deal about what it means to be an American. And why not? It isn't so difficult to be a patriot anywhere: sing a national anthem and pledge allegiance to the appropriate flag. But how to be a citizen in a nation that no longer conscripts soldiers or expects more than an occasional visit to the polls by its otherwise self-preoccupied subjects is a more difficult question. In "Amerika," people who talk about cooperation or social harmony or common good or (heaven forbid) peace are fifth columnists or party hacks working for the enemy.

If American democracy falls, it will not fall to collaborators in SS uniforms or anonymous totalitarian bogeymen. Rather, it will slide into the hands of some reluctant oligarchy or an overzealous domestic party with no foreign connections that will assume power by default because the public has inadvertently abjured its citizenship. If Mr. Wrye had really wanted to teach a civics lesson, he would have taken the K out of "Amerika." An America that has lost its freedom will still be spelled with a C. That is a far more terrifying prospect than anything offered by the perfervid imagination of commercial television. □

Arts & Leisure

A Nobel Laureate Probes His Roots

By JEREMY GERARD

For more than half his 51 years, the Nigerian writer Wole Soyinka has been admired as poet, essayist, memoirist and untiring — and fiercely tested — social critic. But when, in December, he accepted the Nobel Prize in Literature, he addressed the Nobel Foundation as a playwright. For Mr. Soyinka, in the tradition of political dramatists from Sophocles to Bernard Shaw, has created a body of theatrical work that embraces poetry, social and political criticism and, of course, memory.

Few of his works employ all of those elements as audaciously as his 1975 play, "Death and the King's Horseman," which will have its New York premiere Sunday night at the Vivian Beaumont Theater. Set in a Nigerian village during the years of British colonial rule, the play draws on such varied literary devices as poetic imagery and revue-style political satire to tell the story of a culture whose religious foundations are being destroyed by exasperatingly smug outsiders.

The play opens with a whorl of color and a profusion of chatter as villagers gather in the marketplace to hawk their wares and to plan the rites associated with the recent death of the king. Within that vivid background, however, the words spoken are profuse and epic in dimension; in its language and its mise en scène, the play reveals a gritty present against the background of a culture gasping to preserve itself.

So it was as dramatist that Mr. Soyinka accepted his prize, and it was as a maker of theater in different forms and, over the years, on several continents, that he spoke in Stockholm in December. Mr. Soyinka began his Nobel lecture, which was dedicated to the imprisoned South African freedom fighter Nelson Mandela, by recalling this scene in London, in 1958: A young actor refused, despite his colleagues' frantic importuning, to perform his role as a camp guard complicitous in the murder of 11 prisoners during the Mau Mau uprising against British colonial rule in Kenya.

The theater was the Royal Court, that crucible under George Devine in which a generation of angry playwrights was forged and where Mr. Soyinka was a staff script reader. The brutal theater piece was an improvisation in the style of the Living Theater and the reluctant — and ultimately embittered — young actor was, of course, Mr. Soyinka himself.

"Unlike his colleagues together with whom he shared, unquestionably, the same political attitude towards the event which was being represented," Mr. Soyinka said, "he found the mode of presentation at war with the ugliness he tried to convey, creating an intense disquiet about his very presence on that stage, in that place, before an audience whom he considered collectively responsible for the dehumanizing actuality."

Beginning his speech with a story nearly 30 years old says a great deal about the writer today. In 1958, Mr. Soyinka could not know that his works would be read and performed throughout the world. He certainly did not foresee the ensuing decade, during which time he would be imprisoned twice for political activism in his native Nigeria — the second time, beginning in 1967, for 22 months, most of it in solitary confinement.

"We must bear in mind that at the time of presentation, and to the major part of that audience," Mr. Soyinka told his colleagues, "every death of a freedom fighter was a notch on a gun, the death of a fiend, an animal, a bestial mutant, not the martyrdom of a patriot.

"We know also, however, that such efforts can provoke changes," he continued, "that an actualization of the statistical, journalistic footnote can arouse revulsion in the complacent mind, leading to the beginning of a commitment to redress." Mr. Soyinka's outspokenness and unrelenting belief in the power of art to transform remain the deepest-held beliefs of a writer not known for pulling his punches. Whether arguing for the unfettered artistic freedom of his countrymen, or for the declaration of Kiswahili as the universal African language — or defending, in the most colorful terms, his decision as head of an international theater organization to cancel a presentation by one of his constituents — Mr. Soyinka is and always has been a man arrogant in his passions.

"There is no question at all that I think the Nobel Prize is for my drama," Mr. Soyinka said one recent morning, during a conversation in the offices of the Lincoln Center Theater before a rehearsal for "Death and the King's Horseman." "And I think the prize is a recognition of the whole African literary tradition on which my work is based, by the outside world and by the African world itself.

"I never considered myself a prose writer," he said. "My development as a writer is in the theater. I grew up in a very strong theatrical tradition — what you would call the traveling theater, the folk opera, we had always. I think I came to the theater through that love of the medium and only later realized its potential in political terms, as an instrument of social change, as an interpretation of experience — of collective communal experience, historical experience and political experience."

Mr. Soyinka was born in 1934 in Abeokuta, near Ibadan in the Nigerian southwest. He was the son of Christians, but it was his Yoruba ancestry that haunted him; in the tension between the struggle to live under colonial rule and what he recalls as the roiling determination of his Yoruba ghosts to be heard, Mr. Soyinka forged a literary identity and a unique cosmology as well, combining the Christian ritual he personally rejected and the Yoruba mythology to which he turned.

These elements dominate his poetry and prose, as well as his plays. In his acclaimed 1981 memoir, "Aké: The Years of Childhood," Mr. Soyinka re-created his youth, not through recollection but as if observing it for the first time. Here, for example, he recalls the presence of the ogboni, or village elders (of which his paternal grandfather was one):

"The ogboni slid through Aké like ancient wraiths, silent, dark and wise, a tanned pouch of Egba history, of its mysteries, memories and insights, or thudded through on warriors' feet, defiant and raucous, broad and compact with unspoken violence. We were afraid of them. Among other furtive hints and whispers, we heard that they sent out child kidnappers whose haul was essential to some of their rites and ceremonies ... There was no formal teaching in such matters, but we came to know that in the ogboni reposed the real power of the king and land, not that power which seemed to be manifested in the prostration of men and women at the feet of the king, but the *real* power, both supernatural and cabalistic, the intriguing, midnight power which could make even the king wake up one morning and find that his houseposts had been eaten through during his sleep. We looked on them with a mixture of fear and fascination."

Mr. Soyinka's other autobiographical effort to date is "The Man Died." An equally unconventional memoir, it is an account of his longer prison ordeal, when, in 1967, he was accused of running guns for the Biafrans (though he never was formally charged, nor was evidence submitted in support of the move). Only after sustained protest by the international literary community was he released — nearly two bleak years later.

"I'm not really interested in writing my biography, as such," Mr. Soyinka said. "When I set out to write 'Aké,' it was not so much to write an autobiography as to capture — you know, from time to time, you recollect certain passages from childhood, a certain atmosphere of which you were a part and then you see it disappear, you suddenly go to a place and you know the smells, which used to be enough. What is it you see today? Very often you don't like what has replaced it.

"To recapture takes quite a while. You have to wait, not only to enter that particular ambiance, but to enter through the perception with which you experienced it — in this case, as a child. It was very difficult."

Asked if his work had become more radicalized by his torture and imprisonment, Mr. Soyinka said, somewhat surprisingly, that they hadn't.

"My agitprop pieces, which you hardly ever see here, but which are performed regularly in Nigeria, mainly are the same as before I went to prison," he said, speaking in a lilting, quietly resonant baritone as he relaxed on a couch in a backstage office at the theater.

Mr. Soyinka staged the American premiere of "Death and the King's Horseman" seven years ago at the Goodman Theater in Chicago, which is where he met Gregory Mosher, who is now Lincoln Center Theater's artistic director. Directing the play, Mr. Soyinka said, is a formidable undertaking, not only because of its scope, but because of the challenge of training a predominantly black company to perform as Africans.

"Part of it hasn't been too difficult," Mr. Soyinka said. "But at the same time, even though they're black actors and actresses, there's the question of breaking them from certain rhythmic modes and turning them to a slightly different one. It's a whole process of induction, and it's continuing all the time. I gave the company some of the historical background of colonial Nigeria and then just took questions in which I had to fill in the gaps in their knowledge, teaching them even the sounds, so they could begin to understand a totally different pattern of speaking, of singing, from what they're used to, and make them understand that the style of the drama is a kind of living.

Mr. Soyinka's adulthood, even more than his youth, has been informed by a multiplicity of cultural influences. He was educated at the Government College in Ibadan and then at the University of Leeds in Yorkshire, followed by his brief tenure at the Royal Court, where he mingled with the likes of playwrights John Osborne, Arnold Wesker and Edward Bond.

His work, Mr. Soyinka said, reflects the divided nature of an essentially private man who has nonetheless chosen a boldly public life. He has been, since the mid-1960's, an international figure, outspoken on behalf of African nationalism and prolific in his literary output.

Mr. Soyinka seldom sidesteps controversy, and he encountered it again last spring when, in his capacity as head of the International Theater Institute, he "disinvited" from an international theater festival in Baltimore a production of George Orwell's "Animal Farm" staged by Sir Peter Hall with the National Theater of Great Britain, after some Eastern bloc members objected to the production.



The New York Times/Sara Krulwich

Wole Soyinka, the Nigerian author and director of "Death and the King's Horseman," at Lincoln Center



Brigitte Lacombe

Earle Hyman and Ben Halley Jr. (standing) in "Death and the King's Horseman."

'Starlight': Rolling to Market

By STEPHEN HOLDEN

If the $8 million Andrew Lloyd Webber musical "Starlight Express" becomes the commercial blockbuster that its producers envision, its advertising slogan, "The race is on!" could resound from coast to coast for years to come. Hit records, a rock-and-roll-styled road show, a movie and a blizzard of merchandise would rain profits on the most expensive musical ever mounted on Broadway.

With its amplified, eclectic pop-rock score sung by roller-skating singer-actors playing anthropomorphized railway cars zooming around a storybook relief map of America, "Starlight Express" is several shows rolled into one. Its continuous swooping and gliding movement suggests the roller-skating equivalent of a Disney ice spectacular. With nonstop music that runs the gamut from rock to country to blues, it is a pop "opera" in the mode of Mr. Lloyd Webber's "Jesus Christ Superstar." Its story of competing locomotives — one diesel, one electric and one steam — racing across America, spins out a synthetic pop myth that combines elements of "Cinderella," "Rocky" and "E.T."

And in a Broadway musical climate increasingly reliant on spectacle, the show's multileveled environmental set of curving ramps that light up like a giant pinball machine marks a logical expansion from "Cats," the Andrew Lloyd Webber megahit that also arrived on Broadway via London.

"Starlight Express" was beefed up for America by the earlier show's director-designer team of Trevor Nunn and John Napier. For instance, the setting of the London production is a limbo-like railway yard. In America, the great race is run across a miniature toyland America festooned with landmarks, from the Golden Gate Bridge to the New York skyline.

For Mr. Lloyd Webber, who collaborated with the lyricist Richard Stilgoe on two new songs for the American production, "Starlight Express" is "not an attempt to push forward the frontiers of musical theater."

"With 'Starlight,' which was actually begun before 'Cats,' Trevor and I are indulging a whole fantasy that is about fun and nothing else," he said recently. "It's really only rock-and-roll."

Describing "Starlight Express," which is scheduled to open Thursday at the vastly renovated Gershwin Theater, its producers and creators talk more about the marketing of the show than about its meaning. And the numbers are certainly impressive: the marketing plan, bold. Although the show received mixed reviews when it opened in London nearly three years ago, it has since done sell-out business, with no end in sight. The Broadway production has already amassed an advance box office of over $5 million, and according to its producers, if the show plays consistently to 90 percent of capacity, it will begin to make money for its investors within a year.

Ultimately, the producers hope to turn "Starlight Express" into a national phenomenon boosted by records and a 1988 road show, which, if successful, could change the way Broadway musicals are packaged for the rest of the country.

Masterminding the show's national marketing plan is Irving Azoff, the rock concert promoter turned manager turned corporate executive who now runs the entertainment division of MCA Inc., the conglomerate that invested $2.5 million in the show.

In the 1970's, Mr. Azoff ran Front Line Management, the powerful management company that guided the careers of the Eagles, Steely Dan, Boz Scaggs, Dan Fogelberg and Jimmy Buffett, among many other top rock acts. As a co-producer of the 1980 movie "Urban Cowboy," Mr. Azoff engineered one off the most successful cross-marketing campaigns ever mounted between movies and records. The film, which Mr. Azoff co-produced, and its No. 1-selling soundtrack album, which featured several Front Line clients, together created a national craze for country-pop music and Western fashions. This soundtrack tie-in with a movie has since become a basic marketing technique for youth-oriented movies and records. And now Mr. Azoff is applying the same concept to "Starlight Express."

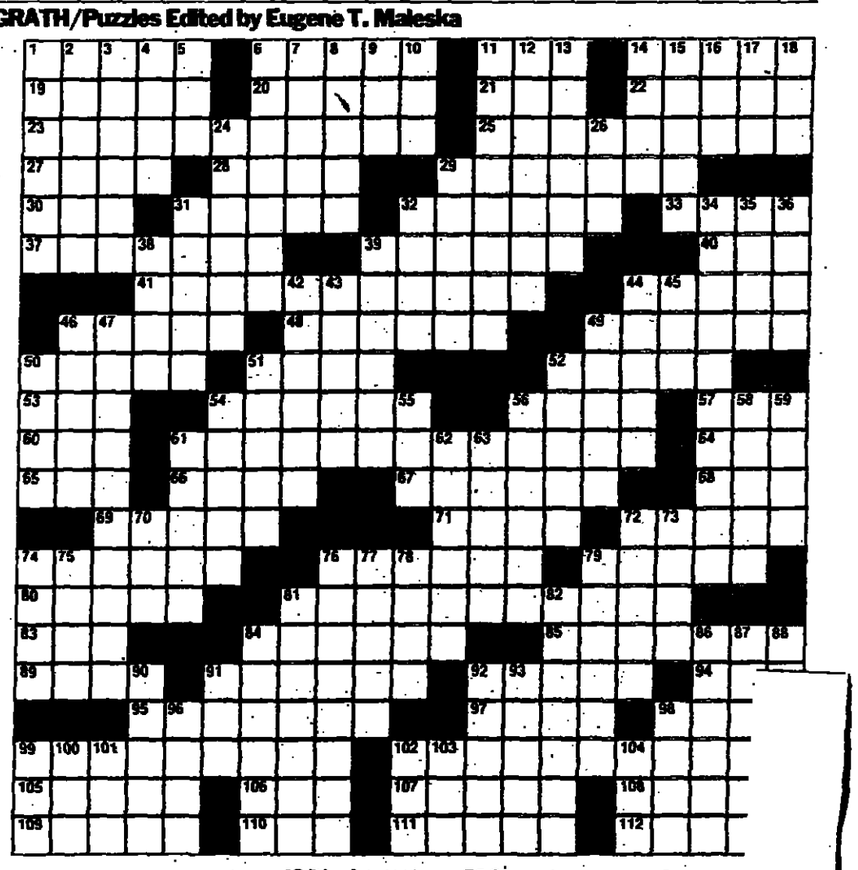
"This is a new step for me in a new area," Mr. Azoff said last week. "To me, the Broadway show is hopefully just one stop that precedes a North American arena tour. Were this just another Broadway play, I doubt I could have been enticed to the table. What we at MCA Records are trying to do is to bring an attitude of rock-and-roll marketing to the Broadway musical. Next month, we're putting out a concept album based on the show, and we intend to treat the album like a movie soundtrack, creating an national awareness of the show by promoting the music on the radio.

"Though the financial outlook for the show as an arena attraction is very risky, I think there's a potential for enormous profit," he continued. "The family show touring business hasn't kept up with the times. It needs a new look. How many years can you keep having the Ice Capades, Disney on Ice and the Harlem Globetrotters? If we can get 'Starlight Express' out there and launched, it could be amazingly successful. But in order for arenas to afford it, we'll have to sell a lot of T-shirts and get help from corporate sponsors. Already, many are interested, including both Coca-Cola and Pepsi."

Working with Mr. Azoff on the road-show will be Jerry Weintraub, the concert promoter (Elvis Presley), manager (John Denver) and movie producer ("Oh, God," "Nashville") who recently formed his own entertainment production company with major backing from Coca-Cola among other corporate investors. The company's first big investment was to sink $2.5 million into "Starlight Express."

Bird Botching

BY WILLIAM S. MCILGRATH/Puzzles Edited by Eugene T. Maleska



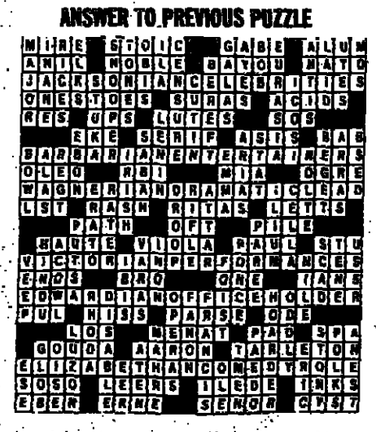
ACROSS

1 Jalopy
6 Chess moves
11 Comb. of tones
14 Bid
19 Home for an eyas
20 Don's January
21 Hudson contemporary
22 Try out
23 Capistrano copper?
25 Good Scout became an ogler?
27 Flag
28 Check
29 Divided land
30 Cenozoic, e.g.
31 Lallygags
32 Jazzy septet?
33 Discordant
37 Cortege
39 Moats
40 Stout
41 Newman slip?
44 Dallied
46 Prospect
48 Title a shogun had
49 Fomented
50 Stoke-on-Trent product
51 Neighbor of a Laotian
52 Ballerina Shearer
53 "—— Tomorrow," 1959 song
54 Diviner
56 World Series pitcher: 1948
57 Business abbr.
60 Ancient
61 Sobriquet for a mimic suffering stage fright?
64 Hawaiian timber tree
65 Volsteader's opponent
66 Seed scars
67 Eluvium
68 Decline
69 Asian wild sheep
71 Coffin's "Poems for —— With Wings"
72 Money in Ankara
74 Valuable fur
76 Muffle
79 Salvo
80 Holmlike
81 Model widgeon?
83 Jacutinga, e.g.
84 Heavyweight champ: 1962-64
85 Awns
89 Former Algerian rulers
91 Athos, at times
92 Liberal
94 Columnist Kupcinet
95 Soughs
97 Nickname for Haydn
98 Grenoble girlfriend
99 Anser's away, my boys!
102 Dupe at the bar?
105 Visionary
106 Toils
107 Pledged sacredly
108 Rebel
109 Distrustful
110 Compass dir.
111 Reliable
112 Electromagnetic-wave amplifier

DOWN

1 Bottle for vinegar, salt, etc.
2 Play the electrician
3 Biblical docking site
4 Favus
5 Grig
6 Bespangled, in a way
7 Loosen
8 Wherewithal
9 Sawlike: Prefix
10 Helios
11 "—— this petty pace ...": Macbeth
12 Inspirit
13 Tenets
14 Airy
15 Valkyries' leader
16 Actor in "The Pajama Game"
17 Conductor Queler
18 Ryder of comics
24 Cleanup matter for Hercules
26 Young man
29 Plaster of paris
31 Fatuous
32 Completely: Comb. form
34 Baby Gould's nannies?
35 Nautical term
36 Foxx from St. Louis
38 Frosted
39 Easy
42 It's above Cayuga's waters
43 Helen Hayes's home
44 Threefold
45 Above, to Key
46 Barrel spigot
47 Winter Garden flop?
49 Seethes
50 Lay in
51 Quaver
52 Of morning
54 Buckeye
55 Kind of play
56 Like Samson
58 Go —— for (support)
59 Small flounder
61 —— Lung, Chinese emperor: 18th century
62 Adman's attention-getter
63 "Brand" playwright
70 Map abbr.
72 Singer-actress Arnaz
73 Nettles
74 Humor
75 Swiss waterway
76 Separate
77 Diminutive suffixes
78 Suffix with comment
79 Coarse fabric
81 Cavities
82 Spotted
84 Detroit recalls
86 "His —— forever ...": Cowley
87 Melodic
88 Shim, e.g.
90 Calumniate
91 To's opposite
92 "... rus —— of t F. Thon
93 Soprano Te Kanawa is one
96 Frightful
98 Pearl Mosque site
99 "—— Bias"
100 Parabasis
101 Formerly named
102 Draft initials
103 Brace
104 Suffix with deferent

ANSWER TO PREVIOUS PUZZLE



MUSIC REVIEWS

Wisdom

Israel Chamber Orchestra, John Alldis, conducting; with Jenny Miller, mezzo; Lorna Anderson, Robin Weisel-Capsouto and Ayelet Amitai, sopranos; Adrian Thompson, tenor; Nelp Chorus directed by Michael Kibblewhite. (Jerusalem, Shercver Theatre, February 24.) Handel: "Solomon," oratorio.

HANDEL, that wily old Saxon, threw in his lot with the English at an *opportune moment*, Anglicized his name and invented the English oratorio. The English returned the favour: Handel has become a British institution, and great esteem is lavished upon his memory and his music.

All this was in evidence as John Alldis led a spirited, elegant and tasteful performance of major sections of "Solomon." The soloists were all in fine form, Miller and Anderson especially spinning out beautiful peals of tone with crystal clarity. Thompson proved his mettle, particularly in the stirring melismatic passages of Act One.

The three were ably joined by Capsouto and Amitai, who caught the infectious spirit of the British and filled out the solo quintet in excellent style.

THE NELP Chorus is a first-rate group: their purity of massed tone, sparkling diction and taut discipline brought firmness and substance to the work, as well as great charm.

To the credit of all, they made it sound easy, completely natural and thoroughly invigorating, just as it should be.

The orchestra began crisply, but nearing, and particularly following the intermission, fatigue set in, noticeable especially in the strings. The wind section remained more resilient, while the trumpets rang out with sovereign brilliance in the closing sections. *DANIEL ZIFF*

Tinny

Gilad Mishori, piano recital. (Jerusalem, Zionist Confederation House, February 25.) Haydn: Sonata in B minor; Schubert: Sonata in A minor Op. 143; Debussy: Four Preludes; Schumann: Carnaval Op. 9

THE SMALL hall, a salon really, at the Zionist Confederation House provides a poor venue for recitals of this kind. It is too confining and too acoustically live, the sound leaping out at the listener from all directions. The piano is a small grand producing an overall tone which, if not downright tinny, certainly has a hard edge to it, its mechanism generating a good deal of noise. The result was the sound ambience of low wattage stereo components turned up too loud – piercing and brittle.

This is a distracting setting against which to evaluate the work of a young, gifted pianist, which Mishori definitely is. He has a lightning, precise and deft touch which lends sparking clarity to everything he plays, at all dynamic levels. His well-developed sense of style allows each composer to speak in his own language and with his own personality. Only in the Schumann would one have liked more stylistic variety among the mini-movements.

Mishori's overall technique, peppered with youthful aggression and somewhat burdened by a muddying use of the damper pedal, would probably provide greater satisfaction in more sympathetic surroundings. *DANIEL ZIFF*

RANDOMALIA
MIRIAM ARAD

A balanced life

LIFE IS a tightrope act.

We must avoid treading on the corns of our spouse, our parents and children, our boss, our secretary, our colleagues, our friends and neighbours, our *ozeret*, our grocer; as well as the occasional cabbie, lawyer, taxman, cop and municipal clerk we happen to have dealings with.

We must obey the rules and instructions that come with a can of insect spray, a tube of glue, a personal computer and our new electric drill. We must likewise heed notices not to smoke, not to spit, not to step on the grass, not to park here, and to stay out of there altogether. We must obey books of etiquette, cookbooks (stir in the eggs *one by one*!), and dictionaries of English usage. We must obey our physician, our dietician, and the traffic lights.

We must be well-read, well-prepared for any contingency, well-groomed, well-mannered, well-spoken, and if possible – well-paid.

We must remember that it's Danny's birthday tomorrow, that we promised to call Rachel, that we must get new batteries for the transistor, that Alex loathes onions, so to keep them out of the stew when he's coming for dinner Friday; we must remember to make an appointment for Orna with the dentist, that Sara's husband is in hospital and we should send flowers, that we promised to pick up that jacket from the cleaner's on the way home.

We must watch our weight, our bank account, our step, the baby, the stove, *Mabat* – and keep an eye on the clock as well. We must watch out for the dog, for the ball, for a child running out in front of the car, and for a chance to give that fella what's coming to him.

We must be careful, tactful, faithful, resourceful, truthful, purposeful, helpful, and if needs be – forceful.

We must know what Sharon said to Arens and Peres to Shultz. We must know what is happening on the Iran-Iraq front, in El Salvador and in the Philippines. We must know the difference between the good Shi'ites and the bad Shi'ites in Lebanon, and not mix up the Hizbullah with the Downtrodden of the Earth. We must know who's who, who's in and who's out. Also what's what. We must know what we are doing, where we are going, and what we want – tea or coffee.

We must be brave but not rash, righteous but not sanctimonious, sensitive but not sentimental, serious but not pompous, generous but not extravagant, attentive but not servile, self-respecting but not vain, contented but not smug.

We must keep fit, keep our head and our word. We must keep our shirt on and our end up. We must keep working, like it or not, to keep our family fed and clothed. We must keep up with the Joneses, though not with the Japhets. Above all, we must keep walking that tightrope.

If you ask me, it's a wonder we don't fall off more often.

FURS, FINS AND FEATHERS
D'vora Ben Shaul

The jet pets

TRAVELLING abroad with a dog or a cat can be demanding, but many people do manage it, and if you have plans for taking your pet with you, as several readers have indicated, then there are a few things it's worthwhile to remember.

If the pet is a small-breed dog or a puppy under five kilos or a cat, many flights will let you keep the animal in its carrier in the cabin with you. This is rewarding in many ways, but means you are limited in leg-space, since it is on the floor under your feet, which makes long flights uncomfortable. Most animals do just as well in a pressurized cargo compartment.

There are international regulations as to the size of carrier necessary for every size of dog. Since most airlines will sell or rent a carrier that meets the standard, this is the best place to acquire one.

If you insist on having one made, then be sure you check all the details with the airline, since the rules also demand a design that will prevent your dog or cat being deprived of proper ventilation.

In Israel, for security reasons, the carrier must be deposited at the airline in advance. So be sure to ask for details about this as well. I have found the security people at airports most helpful in this matter.

IT MAY happen that you suddenly find that your pet cannot accompany you on the same flight, or that it is off-loaded at a stop *en route*. This is not common but it does happen.

If it does, don't be upset. The airline will watch over your pet responsibly and it will follow you on the next flight. In hundreds of flights from a kennel where we provided shipping service I have never known an airline to neglect this responsibility.

As a matter of fact, sometimes they get too enthusiastic about the whole matter. Once, when shipping a pair of young timber-wolves from England to Iran, I arrived at the Rome airport to find that the SPCA representative had taken them for a walk on a leash. He complained that my dogs were very badly trained. And this in the city of Romulus and Remus, I ask you.

Another consideration is quarantine laws. Except for England, Australia, New Zealand and a few other places this is not a problem. But even in Western Europe and the U.S., where the laws are very liberal, you must have an up-to-date rabies vaccination certificate and a health certificate from a government veterinary officer. A letter from your private vet will not do.

If you are not sure about the entry requirements at your destination, then be sure to call the consular office of that country and get the necessary information.

YOU SHOULD consult your regular veterinarian before the trip. Some animals need a tranquillizer before an air journey; others do not. Also, certain airlines require this medication for all dogs. Since it is usually some hours between leaving home and the actual flight, your veterinarian will most likely provide pills to be given to the animal just before take-off.

Unless a dog has a delay of 24 hours or more *en route*, it is best not to feed it, but carriers have a provision for giving water. You should also put a familiar old piece of carpet or blanket in the carrier.

(This is not as important for cats). If you can, accustom the animal in advance to being closed in the carrier for a period, so that it will accept the situation.

But most important of all is your own attitude. There is nothing to be afraid of: the animal will almost certainly be just as safe as you are. Countless animals have flown round the globe, and in almost every case they have got there safely. Keep cool.

Little acorns of coexistence

Mamoun Al-Asady

MANY PEOPLE consider me very rich. It's a fact. I have many friends. My friends are my greatest treasure. The reason for this is very simple: I know how to value the good points and pluses of other people while at the same time ignoring the bad.

I can't tell you about all of my friends, but about two of them I definitely will. They are interesting men. The first I met 15 years ago *thanks to his wife's initiative*. She was a former student of mine. The second I met only recently, by chance, when I visited his parents' home.

There are similarities between my two friends. There are things which they hold in common. Each of them respects the other person's opinions, is ready to understand and be reasonable. They are indeed very much alike. There is only one slight difference between them which might be important.

The man that i met recently takes action, he responds.

I have discussed coexistence with each of them on an individual basis. My new friend urged me to organize an *exchange project between* a nursery school in my village and a nursery school in Carmiel. Children from Deir el-Assad along with their teachers and parents came to Carmiel for a one-day visit.

And what a visit it was!!!

The children from Carmiel gathered by the fence as the visitors arrived and shouted *Marhaba! Shalom* was returned with strong spirit. They sang Arabic and Hebrew songs. They had a snack. They also played together; with dolls and cars, they played with blocks, painted, *had lunch... When it was time to go* home the visitors did not want to leave.

The visit was like a dream. It was wonderful. There is no way to describe the feeling of the adults when they saw their children enjoy playing together. A hundred smiling photos were taken and are solid proof of the success of the project. My comment to my friend and partner after this great success was that: "The project succeeded because we had started from the right place: with children that have not yet been polluted by the views of their elders." My friend merely smiled in agreement.

I happily took the photos to my old friend and told him about what had happened. He shared my joy and then he asked: Why did you succeed this time? I answered that perhaps we succeeded because we started from the bottom,with simple people. I had told him once that if you need to cook food properly then the fire must come from the bottom not from the top. If the fire comes from the wrong direction then it burns whatever it happens to be cooking.

For many years perhaps we did not have the fire that cooks coexistence from the right direction.

TENNIS

Davis Cup squad goes to Bonn

By JACK LEON

RAMAT HASHARON. – Shlomo Glickstein, Amos Mansdorf, Shahar Perkis and Gilad Bloom, together with non-playing captain Yosef Stabholz, will represent Israel in the first-round World Group indoor Davis Cup tie against mighty Czechoslovakia from March 13 to 15 at a court near Prague. Accompanied by their coaching staff, the team leave for Germany tomorrow for nearly a week of intensive training on courts with a Supreme surface at a tennis club outside Bonn. The match against 1980 Davis Cup winners Czechoslovakia takes place on a similar surface.

Mansdorf will go straight to Germany from Miami, where he is currently competing in the International Players Championships, Israel Tennis Association general-secretary Zvi Meyer said here yesterday at a press luncheon hosted by the Israel Tennis Centre. He reported that the ITA had asked its Czech opposite number to include Knesset Sports Sub-Committee chairman Pinchas Goldstein in its official 15-strong contingent of players, coaching staff and officials. Nearly 30 Israeli tem supporters – most of them of Czech origin – will be attending the tie, which marks Israel's debut in the cup's 16-nation premier division.

Tennis Centre executive president Ian Froman announced that 99 men from 16 countries have registered for the upcoming ATP Frankel Satellite Circuit, while 14 overseas women have signed up for the Vanessa Phillips WTA development circuit. Both three-tournament plus Masters series start in Ashkelon on Saturday, with many local players taking part in the two events. They are being organized jointly by the ITA and ITC.

Seeds get through third round

KEY BISCAGNE (Reuter). – There were no surprises in third round matches so far played in the $1.8m. International Players' Championship here.

Yannick Noah was extended to five sets by Ulf Stenlund of Sweden, but eventually won 1-6, 6-0, 6-4, 2-6, 6-3. Stefan Edberg, Mats Wilander, Miloslav Mecir, Tim Mayotte and Johan Kriek were all easy victors.

So was Chris Evert Lloyd, who has lost only three games in three matches. Hana Mandlikova had a harder time against unseeded Svetlana Parkhomenko of the USSR, eventually winning 6-4, 6-4. Claudia Kohde-Kilsch also had to work hard to beat Katerina Maleeva 7-6 (7-2) 6-3.

Amos Mansdorf's third round match is against Derek Rostagno, who got through the second round when Boris Becker defaulted.

EUROPEAN SOCCER

Gunners blast edges off Spurs

Post Sports Staff and Agencies

LONDON. – Liverpool still do not know whom they will encounter in the final of the Littlewoods League Cup – Arsenal and Tottenham Hotspur finished level yesterday with 2-2 aggregates, over two legs, and the two great North London clubs will have to play each other again on Wednesday.

Going into the second leg at home at White Hart Lane, after a 1-0 victory at Highbury to bolster their confidence, Spurs seemed to have the whole operation safely tucked away when Clive Allen struck his 38th goal of the season in the first half. It seemed to be all over bar opening the champagne.

But Viv Anderson and Nial Quinn had other ideas. They delighted the Gunners' supporters in the 37,000 crowd, and horrified the Spurs' backers, by whipping in two second half goals. There were no goals scored in extra time. So both teams live to fight another day.

In Munich Bayern Munich went back to the top of the West German Football Championship after beating Fortuna Dusseldorf 3-0, while previous leaders SV Hamburg lost 2-1 at Werder Bremen.

Matthaus, Pfingler and Hoeness scored the second half goals for Bayern. Two goals by Rudi Voller sank Hamburg.

Cologne, without goalkeeper Toni Schumacher, still managed to win. They travelled to Eintracht Frankfurt and won 2-1.

Other results:

Borussia Moenchengladbach 0, Kaiserslautern 1; VFL Bochum 0, Nuremberg 1; Waldhof Mannheim 2, Schalke 0.

In Madrid, Barcelona, looking a pale shadow of the side which has been setting the pace at the top of the Spanish First Division, crashed to their first home defeat of the season when they were crushed 4-nil by Sporting Gijon on Saturday.

Other results:

Cadiz 0, Espanol 2; Osasuna 1, Saragossa 0.

French First Division

Monaco 0, Brest 1; Toulouse 2, Saint-Etienne 1; *Bordeaux 2, Nantes 0; Sochaux 0, Racing* Club Paris 1; Le Havre 1, Toulon 1; Nancy 0, Lille 1; Paris Saint-Germain 0, Nice 3; Lens 0, Metz 0; Laval 0, Auxerre 2.

RUGBY

Ra'anana and Kibbutz Yizre'el won relatively close games on Saturday to remain tied at the top of the national rugby league.

Ra'anana were trailing 4-0 early on to ASA Tel Aviv but came back with three tries and a penalty goal to win 19-7 at the Sportek in Tel Aviv.

Elisha Rubin scored Tel Aviv's try as the heavier and more experienced Tel Aviv forwards pushed over Ra'anana's line after a short penalty.

It did not take long, however, before the visitors came back in full force. An unconverted try by forward Mark Fryeze and a penalty goal by Jonathan Saacks gave Ra'anana a 7-4 halftime advantage. After the break, Ra'anana capitalized on the handling of mistakes in the Tel Aviv back line, with Saacks scooping a loose ball and sprinting for the try. Left wing Brett Stein scored as well, and Saacks converted twice.

Yizre'el managed a 16-8 victory over Technion-Kiryat Bialik in what was a clean and competitive game. Yizre'el clinched the win near the final whistle.

At Kibbutz Kfar Blum, a much-improved Galil Elyon XV handed a 19-0 drubbing to ASA Jerusalem who were depleted by injuries. This loss has all but eliminated Jerusalem from contention for the league title.

CRICKET

AUCKLAND (AFP). – The West Indies proved their critics wrong and that they are still a force to be reckoned with despite their poor showing in Australia recently.

On the third day of the Second test against New Zealand here, the Windies bowled out the hosts for a mere 157 and enforced the follow-on, after captain Viv Richards declared his team's first innings closed at 418 for 9.

NHL. – Saturday's results: Boston 5, Buffalo 1; Detroit 4, NY Rangers 1; Minnesota 6, Los Angeles 3; NY Islanders 3, St. Louis 3; Hartford 2, Quebec 1; Chicago 2, Pittsburgh 1; Calgary 5, Winnipeg 3; Montreal 3, New Jersey 2; Toronto 8, Vancouver 6.



FLYING PRINCESS. – Princess Anne rode in her first steeplechase at Kempton Park, England on Saturday. She came fourth, out of the four runners in the race. (Reuter telephoto)

NBA

SALT LAKE CITY (AP). – Karl Malone scored 24 points and Darrell Griffith scored 18 of his 20 points in the second half as Utah defeated the Los Angeles Lakers 107-100 in their NBA clash on Saturday night. This was the Jazz's second straight home victory over the Pacific division leaders.

Utah's Mark Eaton, who entered the game averaging just 7.7 points, scored 17 points, grabbed 13 rebounds and blocked six shots.

In other NBA games on Saturday it was: Chicago 107, Milwaukee 104; Washington 137, N.Y. Knicks 117; San Antonio 123, Dallas 98; Cleveland 119, Denver 117; Seattle 112, Phoenix 105; Utah 107,, L.A. Lakers 100; and L.A. Clippers 111, Sacramento 106.

SPORTOTO

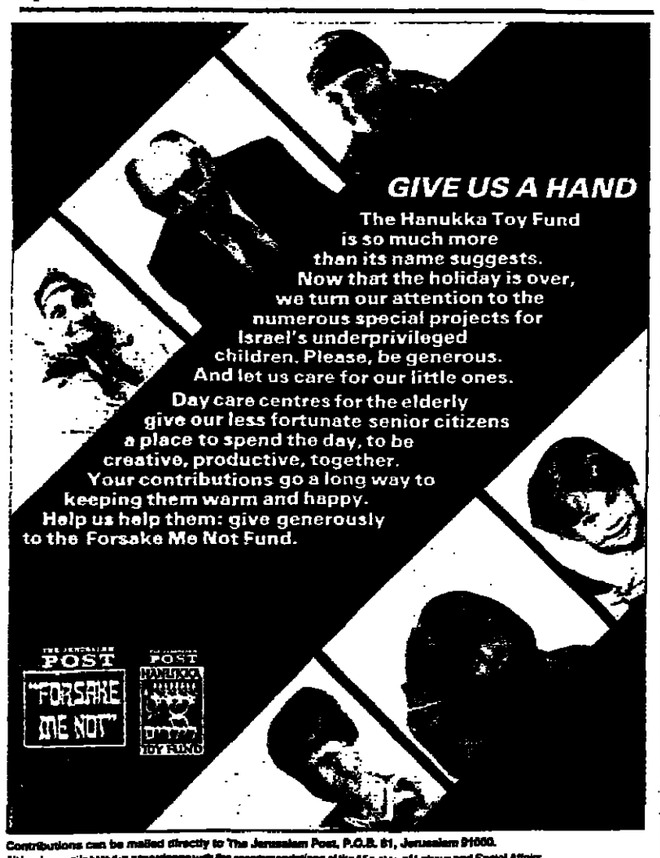
Prophet from Nazareth

Post Sports Staff

TEL AVIV. – In a week when several results went haywire, an Arab soccer enthusiast from Nazareth was the only prophet to forecast 14 results correctly in Saturday's Sportoto. His uncanny foresight earned him the comfortable fee of NIS 1,000,000. He invested a mere NIS 4 for the ten lines on his coupon.

Sixteen people got 13 results correct and will be rewarded with NIS 21,300. Four hundred-and-eighty-nine had 12 correct results and will receive NIS 695.

Eleven results paid NIS 51 and ten results will be rewarded with NIS 6.80.



Contributions can be mailed directly to The Jerusalem Post, P.O.B. 81, Jerusalem 91000.
All funds are allocated in accordance with the recommendations of the Ministry of Labour and Social Affairs.

ZOA MEMBERS IN ISRAEL

The President of the Zionist Organization of America, Milton S. Shapiro, wishes to honor you on the occasion of his visit to Israel, the week of March 18.

For additional information contact:

Aaron G. Blum,
ZOA District in Israel,
ZOA House, P.O.B. 30083,
Tel Aviv 61300, Tel. 03-259341

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Tickets: Bimot, 240896 and other agencies

Tel Aviv, Tzavta, Fri., March 6, 3 p.m.
Hadran, 248787; Castel, 444725 and other agencies. On day of performance at box office, 250156/7

Carmiel, Hechal Hatarbut, Fri., March 6, 10 p.m.

Haifa, Beit Herofe, Sat. evening, March 7, 9 p.m.

Kfar Saba, Hechal Hatarbut, Kfir Centre Auditorium, Sun., March 8, 8:30 p.m.

Tel Aviv, Ohel Shem, Mon., March 9, 9 p.m.
Hadran, 248787; Castel, 444725 and other agencies

ms811-05-14

ONE OF A KIND

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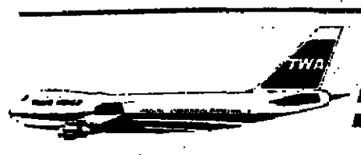
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NATIONAL ECONOMIC INDICATORS



Inflation

	1987	1986
January Consumer Price Index	166.6	134.5
January Inflation Rate	↑ 2.1%	↓ 1.3%
November – January rate (in annual terms)	↑ 29.3%	↑ 1.9%
Twelve months to January	↑ 23.9%	↑ 167.3%
Price index for inputs into residential housing (baseline: October 1983=100)	2,173	1,725.3
January increase in index	↑ 2.7%	↑ 1.1%
Wholesale price index (baseline: 1977=100)	2,265.2	1,943.5
January increase in index	↑ 2.3%	↑ 1.1%

Exchange Rates

Rate of shekel to dollar (as of February 27)	NIS 1.6161
Rate of shekel to basket (as of February 27)	NIS 1.6783

Foreign Trade & Finance

Annual figures for	1986	1985	Change
Trade deficit	$2.360b.	$1.941b.	+21.6%
Exports Merchandise	$6.920b.	$6.080b.	+13.8%
Merchandise imports	$9.28b.	$8.020b.	+15.6%
Foreign currency reserves (end of February)	1987 $4.238b.	1986 $3.086	+37.6%

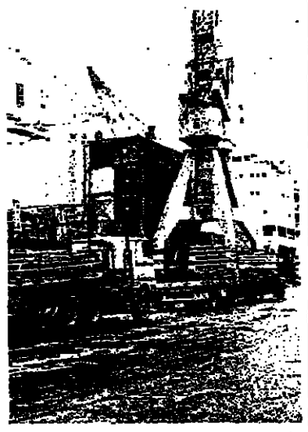
Unemployment

	Sept. – Dec.	July – Aug.
Number of jobless (seasonally adjsuted)	99,000	101,000
Unemployment (as per cent of labour force)	6.6%	6.8%

Government Finance

Monetary injection (+) absorption (–)	
February	– NIS 359m.
January	NIS 591m.

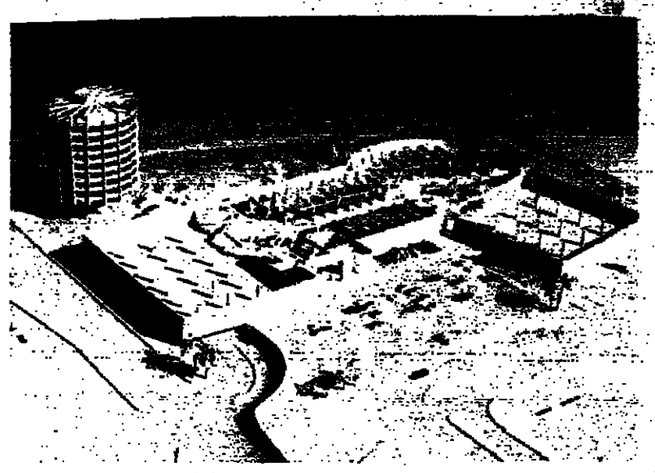




Making the desert boom

Azrieli bets with a new $10 million shopping centre that the Negev will be a growth area





David Azrieli and a model of the planned Canion Hanegev. (Ron Erde)

By BRADLEY BURSTON
For The Jerusalem Post

If Montreal's David Azrieli has his way, shopkeepers throughout Israel may have to think twice about how they treat their customers.

Azrieli, an architect turned real estate developer, has a formidable, Western-developed weapons system at his command in the battle for the hearts and credit cards of the Israeli consumer: the state-of-the-art, all-weather shopping mall, a weapon that has proved all but unstoppable in the fierce commercial combat zones of North American suburbia.

One of North America's leading shopping centre developers in the last decade, Azrieli has turned his attention to the Israeli market, with Ramat Gan's Canion Ayalon mall as his initial foothold. More recently, he announced plans for a mammoth mall in the Jerusalem area, and just this week, laid the cornerstone for a mall project that, if successful, may have the most striking impact of all on the commercial and social norms of its surroundings.

To the rather sceptical but nonetheless pleased surprise of the Negev's third of a million residents, a dusty pocket of desert near the commercial heart of Beersheba is about to bloom into a major mall.

"It's true," says a close associate of Azrieli's, "that he could have made a lot more money, maybe twice as much, had he located in Haifa, for example. And the bureaucratic hurdles would probably have been fewer. But Azrieli truly believes in the future of the Negev and what a project like this can mean to the area. He's made his share of money in other projects. In this project though, he's interested in pioneering."

Azrieli's $10 million shopping complex, scheduled to open in two years, will include a major department store, four-screen cinema, Tnuva Hypermarket, bank and nine-storey hotel crowned with a rooftop swimming pool. The Canion Hanegev is expected to create 1,000 jobs for the Beersheba area.

The potential impact of the mall has many local merchants, as one boutique owner put it, "sleeping with one eye open." But, say some locals, the shopping centre will not only force merchants to better serve their customers, it may also act as a magnet, drawing shoppers from all over the Negev. It may even persuade consumers not to drive to Tel Aviv to buy quality goods or have a night out.

Though the debate continues on the mall's effect on Beersheba, few doubt Azrieli's ability to get what seems to be an impossible job done. Azrieli is known as something of a Hebrew Horatio Alger. Having lost most of his family in the Holocaust, Azrieli left Europe for pre-state Palestine, served in the IDF and took an architecture degree at the Technion before joining relatives in Montreal, where he made his fortune.

Defying the stereotype of the North American former Israeli, Azrieli continues to tend his personal root stock. Apart from the mall projects, Azrieli has done much to further numerous Israeli institutions, notably the Technion, whose architecture school will soon have new quarters, thanks to the mall man from Montreal.

> The potential impact of Canion Hanegev has many local merchants, as one boutique owner put it, "sleeping with one eye open."

BUDGET. – The Gulf oil state of Qatar, recovering slightly from last year's decline in world oil prices, yesterday announced its first budget since early 1985 and projected a deficit of 5.472 billion riyals. The deficit compared with a shortfall of 7.3 billion riyals in the last published budget for 1985/86.

In France, only the communists want to be rich

PARIS (AFP). – French wealth aspirations are low, according to a poll by market research group Sofres, published recently by the weekly magazine *Marie-Claire*.

Sixty-one per cent of those questioned said they did not particularly want to be "very rich," outweighing the 38 per cent who were enthusiastic about the prospect.

Sixty per cent said they thought rich people were neither happier nor sadder than the average, and 17 per cent thought that wealth actually brought unhappiness. Nineteen per cent thought riches brought contentment.

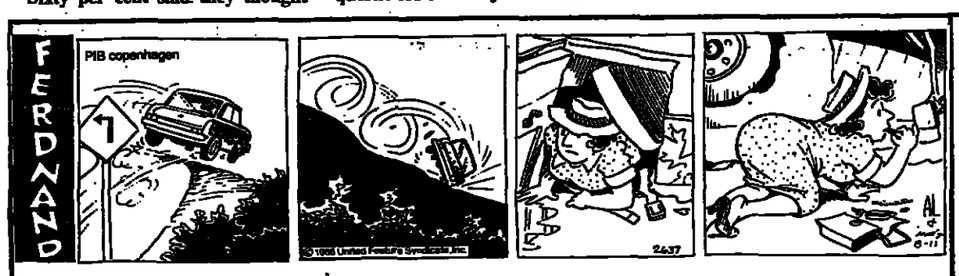
Communists tended to be more ambitious for wealth than the rest of the population – 48 per cent of French Communist Party members questioned said they would like to be very rich.

Socialists came next, 39 per cent of those questioned stating a desire for wealth. Only 1 per cent of the total sample said they did not hold an opinion about wealth.

One in five French people thought that salaries of between $1,500-$4,500 made you wealthy, while half the senior managers questioned set the threshold much higher, at $30,000 a month.

The rich, according to 42 per cent of those questioned, are first and foremost "selfish." The word 25 per cent chose to describe them was "contemptuous," and a further 23 per cent saw them as "greedy."

The survey was carried out between November 6 and 12 last year on a sample of 1,000 people aged 18 and over.



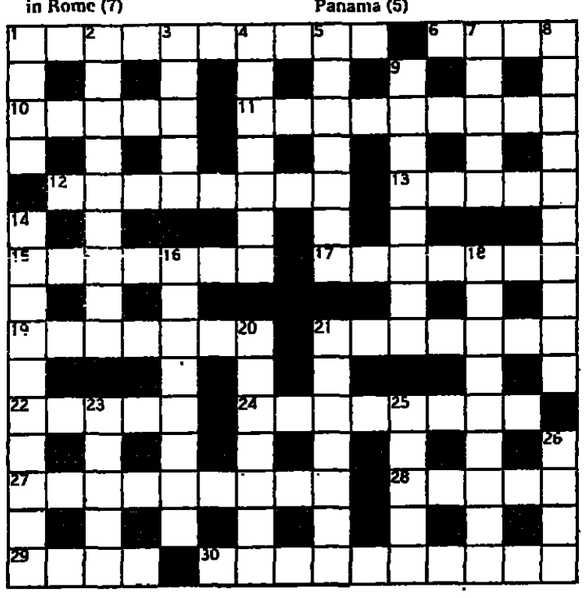
CROSSWORD

ACROSS

1 Trying places, maybe, for those involved with rackets (4,6)
6 She's crazy about you, we hear (4)
10 & 11 Municipal body putting planner in his place? (5,9)
12 Could nevertheless prove a close match (4,4)
13 One who sets his sights on reaching a German town (5)
15 By the sound of it look for a drink, but find a vegetable (3-4)
17 Remote location from which Stalin henchman is heading back (7)
19 Virginia, I can't possibly see in Rome (7)
21 Introduction to a notable work (7)
22 Gives encouragement to sources of growth (5)
24 Impenetrable and in a manner mean (8)
27 Not currently creditable due to some liability (2,7)
28 Sweetheart with the right air (5)
29 Time for reflection (4)
30 To act so impetuously is anything but hair-raising (10)

DOWN

1 & 14 William or Mary, for what it's worth (4,1,9)
2 Growth of Gibraltar originally? (4,5)
3 Character twice spotted in Panama (5)
4 Girl at the Hertfordshire town in the dark (7)
5 Mathematicians called Steptoe, perhaps (7)
7 Excuse for a party one joins (5)
8 How the nightwatchman kept himself amused off duty? (10)
9 Left with sufficient strength can be easily moved (8)
14 See 1 down
16 They indict a couple of hundred employers (8)
18 Untidy Hugh's backdoor entry in dirty boots? (9)
20 Falls and gets up again with artist's help (7)
21 Quietly shared out in a manner of speaking (7)
23 Where silver too can be unearthed in the Antipodes (5)
25 Exchanged Eire's currency in France (5)
26 Drop out in a dig (4)

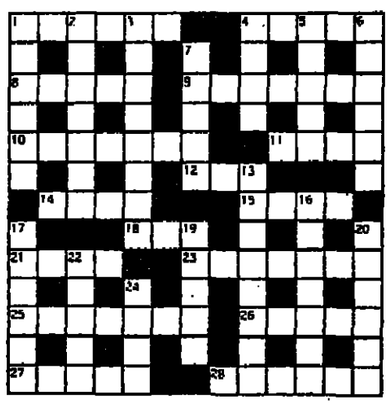


Yesterday's Solution

S	C	R	A	P	P	I	N	G		G	A	D		
	A	S	E			E	N	L	A	R	G	E		
S	N	A	P	P	E	R		N	I	C	K	M		
	D	E	P			E	N	S	L	A	V	E		
D	O	N	C	A	S	T	E	R		S	D	A		
	U	T	H		N	A	T	A	T	I	O	N		
P	R	E	S	T	O		T		N		A		O	
R			A	W	K	W	A	R	D			U		
O		T		N		I		H	O	W	L	E	R	
G	E	O	R	G	I	A	N		A		A		N	
R		M		E		D	E	S	P	E	R	A	T	E
A	L	B	E	R	G	O		S		B		R		
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M	E	L	A	N	G	E			D		E		A	
E		A		E		D	E	H	Y	D	R	A	T	E

Yesterday's Quick Solution

ACROSS: 5 Salvo, 8 Latterly, 9 Stick, 10 Opulence, 11 Angle, 14 Ode, 16 Geisha, 17 Assist, 18 Rat, 20 Ghoul, 24 Eminence, 25 Essay, 26 Incident, 27 Valet. DOWN: 1 Elbow, 2 Stout, 3 Level, 4 Placid, 6 Astonish, 7 Vocalist, 12 Bethesda, 13 Osculate, 14 Oar, 15 Eat, 19 Almond, 21 Snail, 22 Anger, 23 Depth.



QUICK CROSSWORD

ACROSS

1 Surface (4,2)
4 Breathes hard
8 Lack of hair
9 Prevalent
10 Affront
11 One of the U.S.
12 Large deer
14 Portal
15 Piece of news
18 Watering place
21 German wine
23 Type of watch
25 Fielding position (4,3)
26 Unit of weight
27 Give way
28 Middle

DOWN

1 Fabric
2 Eminent musician
3 USA trips (anag.)
4 Small horse
5 Compass point
6 Infrequently
7 Consent
13 Leather hand-covering (3,5)
16 Defunct
17 Moderately cold
19 Proverb
20 Sheep's coat
22 Boat
24 Pleased

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Dan Region *781111	Petah Tikva *9231111
Eilat 7233	Rehovot *451333
Hadera 22333	Rishon LeZion 942333
Haifa *512233	Safed 30333
Hatzor 36333	Tel Aviv *240111
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Rape Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem – 245554, and Haifa 382611.

The National Poison Control Centre at Rambam Hospital, phone (04) 529205, for emergency calls, 24 hours a day, for information in case of poisoning.

Kupat Holim Information Centre Tel. 03-433300, 433600 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

CURRENCY MARKETS

Intervention fears keep dollar steady

The dollar closed slightly higher on Friday, but for the week the U.S. unit closed little changed against major currencies.

The market spent the week digesting the results of the Paris G-6 meeting, at which the six major industrial nations (Italy, a traditional partner, opted out) agreed to coordinate efforts to stabilize the dollar around current exchange levels. Although it was not publicly announced, the market suspects that the agreement included a specific plan for coordinated intervention to support the dollar.

It was fear of central bank intervention that discouraged dollar-selling, enabling the currency to remain steady despite a host of bearish news. Economic data showed a particularly grim picture of the U.S. economy in January – a widening of the trade deficit to $14.8 billion and a drop of 7.5 per cent in durable goods orders.

Meanwhile, the Brazilian debt crisis renewed concerns regarding the stability of the American banking system. The Tower report on the Iran arms affair further undermined the confidence of foreign investors in the Reagan administration.

The market has become very restrained in response to such developments as fear of joint central bank intervention grows. Simple fundamental analysis indicates that the U.S. economy still shows signs of weakness and that no dramatic change is taking place. And this should have driven the dollar down to its forecasted targets of 1.65 against the Deutschmark, 1.40 against the Swiss franc, 140 against the yen and 1.60 against the pound sterling.

Nevertheless, uncertainty about the seriousness of the industrial countries' intentions may soon be tested, and the reaction will determine the next stage in currency movements. The major trend for the dollar is still down, but extreme caution is called for until a trend can be detected.

The column appears courtesy of Boaz Barak Advisory Service.

WORLD BUSINESS IN BRIEF

U.S. trade deficit widened sharply in January to $14.8b.

WASHINGTON (Reuter). – The U.S. economic outlook took a turn for the worse on Friday, as the Commerce Department reported a sharp rise in the January trade deficit, while the Labour Department announced a higher than expected rise in the consumer prices index.

The January trade gap came to $14.8 billion, compared with a revised $12.7b. deficit for December. The December figure had originally been put at $10.7b.

The Labour Department, meanwhile, said consumer prices rose 0.7 per cent in January, the largest monthly gain since June 1982 and far higher than the 0.2 per cent recorded in December 1986. The department had revised its figures for last month to better reflect consumer buying patterns.

KUWAITI OIL MINISTER Sheik Ali Khalifa Al-Sabah yesterday denied reports that his country had exceeded its crude oil production quota decreed by the Organization of Petroleum Exporting Countries.

In an interview with the Kuwait daily *Al-Qabas*, Sheik Ali also denied that the Opec Ministerial Council would hold an emergency meeting to discuss the cartel's faltering attempt to uphold oil prices at $18 a barrel.

Kuwait was one of the 13 Opec member states that was reported to have violated production quotas fixed at the cartel's ministerial council meeting in Geneva last December to stabilize oil prices at the $18 level.

BRAZIL WOULD NOT have suspended payments on debt owed to foreign banks if it had received more and faster financing from official lending agencies, Finance Minister Dilson Funaro said Saturday.

He denied he would seek more money from the International Monetary Fund (IMF), to which Brazil paid $922 million last year, and said Brazil's problems could not be solved by IMF intervention.

Pressed on how long the payment suspension would last, Funaro said: "It all depends on what kind of financing we are going to receive from the other side."

Brazil, with foreign debts totalling $108 billion, stunned the banking community last week by suspending payments on some $68b. owed to private banks.

JAPAN'S THIRD-LARGEST auto maker, Mazda Motor Co., is considering importing some of its own brand passenger cars to be produced in the U.S., a Mazda source said Saturday.

The Hiroshima-based auto maker plans to produce Capella passenger cars in the U.S. beginning this year, using parts from Japan.

The source cited a ranking Mazda official as saying it now cost less to build cars in the U.S. than in Japan because of the rise of the yen.

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Financial Times Survey on ISRAEL

The Financial Times, printed in London, Frankfurt and New York, proposes to publish a Survey on

ISRAEL

Monday, April 27, 1987.

Topics proposed for discussion include:

The Economy	Textiles
Agriculture	Banking
Science-based Industries	Tourism
Defence Industries	Haifa
Diamonds	Industry Profiles
Chemicals and Petrochemicals	Personality Profiles

For a copy of the editorial synopsis, and details of advertising opportunities, please contact Hugh G. Westmacott, Financial Times, Permanent House, The Headrow, Leeds, England, LS1 8DF, Tel. 0532-454969, telex 666813 FINTIM G.

Hugh G. Westmacott will be available at the Hilton Hotel, Tel Aviv, Tel. 03-244222, between March 11 and 19.

MARKET PLACE

PINHAS LANDAU

Keeping bad news at bay

The share market was the only sector of the exchange to blossom in February, and the resolution of the political squabble – at least for the moment, and until the next one – has left most observers sure that March will be another excellent month for shares.

Indeed, it is precisely the widespread feeling of well-being that makes some contrarians feel edgy. But the more straightforward analysis suggests the optimism is well-founded. The lack-of-alternative theory, which is paramount in the capital market, says that, given rising inflation, (even after the hike in interest rates), the easiest way of protecting the value of money and making something extra, is to put funds into shares. So long as more and more people come to accept this, and the stream of incoming funds continues to swell, there will be no let-up in this underlying trend.

The volume, in fact, has been the strongest single indicator in the market over the last fortnight, rising to almost NIS 30 million in free shares alone on one or two days last week. The Tel Aviv market, perhaps taking its cue from New York, has also got into the habit of shrugging off negative elements and giving disproportionate attention to good news. This, too, is a classic sign of self-confidence, hence of better things to come.

Reviewing the figures for February leads to some very clear-cut conclusions. For one, the bond market made zero progress last month, after a strong showing in January. The General Bond index ended up at 110 while the index-linked bond marker was marginally higher, which meant negligible movement over the month. Dollar-linked and foreign- currency-traded bonds improved slightly, generally in the order of 2-3 per cent, taking their year-to-date rise to an average 5-6 per cent. That is still less than the January 13 devaluation. By extension, it may be noted, that the bank shares in the arrangement, also dollar- linked bonds, show the same pattern, having risen 5.27 per cent in two months, and only 1 per cent or so last month.

That leaves the free-share market as the arena for action, and here at least there has been no disappointment. The index of non- bank shares rose almost 14 per cent in February, and it is interesting to see that the worst performing group were the non- arrangement banks, which managed only 1 per cent, compared with over 30 per cent in January. Mortgage banks and specialized financial institutions also underperformed – 7.6 and 4 per cent, respectively – so that the financial sector as a whole was relatively weak, excluding insurance firms.

Despite the Phoenix scandal late in the month, the insurance sector managed a respectable 11 per cent gain last month, better than the 10 and 8 per cent chalked up by commerce and trade, and real estate respectively. Finally, among the laggards, came the oil exploration sector, with only 4 per cent, and with an announcement that traces of oil had been found in one drilling site. This group really is the most difficult to fathom, in its behaviour and reactions before, during and after news.

It was thus the key sectors of industrials and investment companies that powered the February advance, with 14 and 24 per cent apiece. The industrials sector alone accounts for about half the free share market, so that its rise has the greatest weight of any sector. Within its sub-categories, industrial investment soared 22 per cent and food and tobacco 20 per cent, with metals, electronics and chemicals all chipping in 12-15 per cent. Only textiles and clothing, at less than 4 per cent, proved a dud, and after two months, this sub-sector is firmly in last place in the industrial group.

Investment companies, as noted, climbed almost 25 per cent, and this puts the group's year-to-date advance at 61.5 per cent. This sector is often the front-runner of the market as a whole, and its rocketing performance is another sign that the share market is headed higher in the coming period, in bland disregard of the chorus of experts who believe it is already overvalued.

Hearing on Phoenix's FIT link postponed

TEL AVIV. – Phoenix Assurance Co. lawyers and the receivers of FIT reached an agreement yesterday to postpone until April 23 a hearing in connection with a court injunction against Phoenix.

FIT's receivers allege that Phoenix, which owned half of FIT until January 1986, used the now defunct brokerage's funds for illegal investments and loans.

The injunction would prevent Phoenix from conducting any business of transaction over NIS 100,000 without the permission of an independent director and prevent the two top Phoenix managers, David and Yossi Hachmey, from leaving the country.

2 major initiatives by Leumi's Bino

Salary structure overhauled

By PINHAS LANDAU
Post Finance Reporter

Two weeks after formally starting work as chief executive officer of Bank Leumi, Zadik Bino yesterday obtained board approval for an open wage scale for every Leumi employee.

"I believe that with these agreements, we have finished the business of sorting out the salary problems, and we can now get down to work," Bino told *The Jerusalem Post* last night.

His first marketing initiative was announced on Friday (see accompanying story).

Leumi's board was also asked to ratify a series of accords that Bino had been working on since joining the bank in the middle of last month. Among them were agreements with outgoing senior executives, such as Mordechai Einhorn, Baruch Yekutiel and Yosef Rosh, to waive large sums of severance pay due to them under their contracts. These savings, according to Bino, came to NIS 11 million.

The centrepiece of the new pay system at Leumi approved by the directors yesterday is a uniform salary scale. Under the system, the average monthly wage of clerks in January ranged from NIS800 to NIS2,100 a month; authorized signatories and managers, NIS2,200 to NIS4,500; assistant general managers and senior assistant general managers without personal contracts, NIS 4, 800 to NIS 7,300; and senior assistant general managers and deputy general managers with personal contracts, NIS 7,800 to NIS 13,500.



Zadik Bino (Media Images)

The figures represent gross pay, including all benefits, excluding the company car and telephone expenses given senior executives.

Bino himself agreed to drop his monthly salary to NIS16,500 from NIS 17,000 or from $11,000 to $10,000, in order to maintain what the board considered reasonable differentials.

In addition, the controversial procedure under which the salaries of top-ranking executives were paid separately, through the office of the bank's chief financial officer, has been abandoned. Starting April 1, all salaries will be paid from the same source.

Bonuses, if paid, will be distributed to all employees on a basis that reflects their contribution to the bank's profitability, Bino told *The Post*. He added that he had made it clear to the bank's works committees that when Leumi makes a profit, all employees will benefit, and if the results are unfavourable, all would be asked to make sacrifices.

Innovative loan scheme is launched

Post Finance Reporter

Bank Leumi, under the clear imprint of its new chief executive officer, Zadik Bino, announced on Friday an important new retail banking initiative, offering a combined savings and loan programme.

The principle and practice of fusing a loan offer to a standard saving scheme has been developed by Bank Hapoalim in recent months, and widely touted under the "shekel for shekel" slogan. However, Leumi's latest venture contains important novelties.

The programme is called "instant money," and offers an index-linked loan of up to half the value of the accrued savings, including interest and linkage differentials at a rate of interest of only 4.25 per cent per annum. That is about one-third of the regular cost of such loans.

Furthermore, the availability of the loan is not limited to the saver alone, but may be transferred to any other customer that the saver elects and the bank approves, such as family members or friends.

In effect, therefore, the loan is a transferable security and may be compared to a call option giving the saver the right to borrow money at a fixed price. This right may be utilized or transferred, including being sold at a profit.

These two elements – the low cost of the loan and its transferability – are the innovations that distinguish the "instant money" scheme.

The name itself derives from the terms of the loan. These are that it is available to anyone saving in either the monthly or one-time deposit channels available in Leumi's existing *"Koach Tesuah"* saving scheme, on condition that the amount saved is between NIS 5,000 and NIS 100,000.

The loans are for a period of up to four years, if repayments are made monthly, or up to two years, if the loan is repayed in one lump sum. Borrowers must have opened their accounts three months before applying for a loan and cannot make an application if their accounts are maturing in less than three months.

The rate of interest on the savings scheme itself is dependent on its term and can reach as high as 4.25 per cent. The funds deposited in *Koach Tesuah"* must, according to Treasury regulations, be passed on to the tune of 75 per cent to the Treasury for investment in government bonds, although this percentage is scheduled to drop to 60 per cent in April. This means that only a minority of the funds are available to the bank for lending to customers at its own discretion.

Given this structure, it is clear that Leumi must use additional sources of finance for the loans that it is offering, beyond the 25-40 per cent of "free" money available to it from the savings element. But, in view of the uniquely low rate of interest being charged for the loans, the bank's margins are thought to be very narrow, giving it little direct profit on the loans.

Banking circles yesterday sought to dismiss "Instant Money" as a clever gimmick designed to boost Leumi's market share in the savings scheme area by waving a cheap loan as an attraction to savers. Leumi officials, however, told *The Jerusalem Post* that anyone drawing the conclusion from this product that Leumi was going to concentrate its efforts solely on savings schemes would be mistaken. Other initiatives, they said, were already in the works.

Cabinet pressing for early interest rate cut

By AVI TEMKIN
Post Economic Reporter

Interest rates may go down in the next few weeks as pressure grows on the Bank of Israel to cut them ahead of schedule. Opinion is growing among cabinet ministers and senior government officials that the bank reacted too strongly to higher inflation in its decision last month to raise interest rates by one percentage point a month.

When the central bank boosted interest rates, it stressed that the measure was temporary and that in two or three years they would come down again. The bank said the increase in interest rates was necessary to keep borrowing costs in line with the temporary increase in inflation stemming from the 10 per cent devaluation of the shekel carried in January.

The bank's move raised the prime rate to 2.5 per cent and the overdraft rate to 4 per cent per month, increases of about one point over their previous levels. But at its meeting yesterday the cabinet decided that the question of interest rates would be included in a debate about the overall direction of the economy. The debate will take place at the Ministerial Economic Committee, the cabinet decided.

The issue of the interest rate policy of the central bank was raised by Minister Without Portfolio Yigael Hurvitz, who said the high rate was harming industry and agriculture. "The government is becoming the undertaker of those sectors," he said.

Deputy Finance Minister Adi Amorai also came out yesterday against the high increase in interest rates. In a radio interview Amorai said the central bank had overreacted. "The increase was justified, but the dose applied was too large," he said.

Amorai predicted that in the coming months the inflation rate would be below what was forecast by the bank, and this will convince the central bank to bring down interest rates.

Industry Minister Ariel Sharon, who is currently abroad, is also known to be a staunch supporter of the central bank policies.

Bank of Israel Governor Michael Bruno said at the cabinet meeting that the central bank had decided on a one percentage point increase on the basis of forecasts estimating the monthly inflation rate in the first part of this year being one point higher than normal in the wake of the shekel's devaluation. He said that no increase in real interest rates was intended, and the rise was designed to keep them at their pre-devaluation level.

BUSINESS BRIEFS

Tel Aviv's Debora Hotel due to re-open

Tel Aviv's Debora Hotel, which 10 years ago was gutted out by fire, is to re-open for Pessah. The 10-storey building, on the corner of Ben Yehuda and Gordon streets, was Tel Aviv's first glatt kosher luxury hotel when it opened nearly 20 years ago.

Benzion Kehila, the local representative for the Knoll brothers of South America, who own the hotel, told *The Jerusalem Post* yesterday that it had always been the intention of the proprietors to re-open, but they were unable to do so until their insurance claim had been processed.

Eighty-five guest rooms have been refurbished, and Kehila said the rates would be set within the next few days. The hotel has not yet been graded by the Ministry of Tourism.

ISRAEL AND BELGIUM will hold talks in the coming months aimed at increasing cooperation in the diamond industry, the Ministry of Trade and Industry said yesterday.

The effort to further ties between Belgium, the leading diamond trade centre, and Israel, a major diamond processor, came as a result of meetings between Industry Minister Ariel Sharon and the heads of the Antwerp diamond exchange in Belgium over the weekend. The diamond trade between Israel and Belgium totaled more than $1 billion in 1986.

FRENCH TOURISM MINISTER Jean Jacques des Camps will visit Israel next month for a two-day visit, during which he will be hosted by Tourism Minister Avraham Sharir.

The purpose of the visit is to discuss joint promotional efforts to attract tourists from South America, Japan and Korea and to encourage bilateral tourism by senior citizen groups, pilgrims and people seeking therapeutic cures. Also on the agenda will be French investments in Israel's tourism industry. Des Camps will be accompanied by a delegation of 10 potential investors.

PROF. DAVID SASSOON will be awarded a Histadrut Consumer Protection Authority prize this evening for his work in promoting consumer interests in the insurance industry.

Sassoon, who is a member of the Insurance Council and a lecturer at Tel Aviv University, has been instrumental in drafting legislation, in advanced stages before the Knesset, that will require insurance companies to pay fines when they delay payment of insurance claims without legitimate cause.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:

General Share Index	122.57+2.52%
Non-Bank Index	147.73+4.28%
Arrangement	106.30+0.98%
Insurance	131.07+3.20%
Commerce, Services	139.77+5.03%
Real Estate	137.13+3.36%
Industrials	148.95+4.11%
Textiles	137.81+4.99%
Metals	139.64+4.01%
Electronics	152.39+3.10%
Chemicals	145.98+3.23%
Industrial Invst.	178.19+8.05%
Investment Cos.	171.31+6.05%
General Bond Index	109.97–0.02%
Index-linked Bonds	110.57–0.07%
Fully-linked	111.69–0.21%
Partially-linked	108.83+0.15%
Dollar-linked Bonds	105.60+0.20%
Short-term 0-2 yrs	107.80+0.15%
Medium-term 2-5 yrs	109.16+0.14%
Long-term 5+ yrs	111.68–0.15%

Turnovers:

Shares – total	NIS 27,644,200
Arrangement	NIS 3,271,700
Non-bank	NIS 24,372,500
Bonds – total	NIS 5,170,600
Index-linked	NIS 3,375,200
Dollar-linked	NIS 1,798,600
Treasury Bills	NIS 2,105,100

Share Movements:

Advances	263	(237)
of which 5%+	107	(74)
"buyers only"	2	(4)
Declines	34	(26)
of which 5%+	10	(3)
"sellers only"	1	(0)
Unchanged	91	(127)
Trading Halt	33	(32)

Bond Market Trends:

Index-linked:	
3% fully-linked	Mixed to 1%
4.25% fully-linked	Generally falls to 2%
80% linked	Stable
Double-linked:	Stable / Mixed to 1%
Dollar-linked:	
Admon	Rises to 0.5%
Rimon	Rises to 0.8%
Gilboa	Rises to 1.5%
For. Curr. denominated Treasury Bills (annual yield)	Mixed to 1%
	28.05–32.20%

Arrangement yields:

IDB ord.	17.40%
Union 0.1	17.23%
Discount A	17.66%
Mizrahi r.	17.99%
Hapoalim r.	17.51%
General A	17.34%
Leumi stock	16.91%
Fin. Trade 1	17.73%

SELECTED PRICE QUOTATIONS

Name	Price	Volume '000NIS	% change
Commercial Banks			
(not part of "arrangement")			
Maritime	1845	3779	+5.4
General non-arr.	23500	229	–1.7
First Int'l	5200	4007	+4.0
FIBI	6300	5656	+5.0
Commercial Banks			
(part of "arrangement")			
IDBr	89500	782	–
Union 0.1	66750	111	+1.4
Discount	113800	134	+0.8
Mizrahi	36520	781	–
Hapoalim r	60700	1556	+0.8
General A	155500	33	+1.2
Leumi 0.1	38900	2222	+1.8
Fin. Trade	51000	–	+0.6
Mortgage Banks			
Leumi Mort. r	10200	223	+1.8
Dev. Mort.	4520	437	–
Mishkan r	4250	772	+2.2
Tefahot r	24600	38	+8.8
Merav r	8600	60	+5.1
Financial Institutions			
Agric C	no trading		
Ind. Dev. DD	no trading		
Clal Leasing 0.1	28350	b.o.1	+5.0
Insurance			
Ararat 0.1 r	1740	1143	–
Hassneh r	447	45402	+3.5
Phoenix 0.1	no trading		
Hamishmar	7344	142	–
Menorah 1	2860	78	+10.0
Sahar r	8400	942	+0.6
Zion Hold. 1	13200	5	+4.8
Trade & Services			
Meir Ezra	1397	4034	+3.5
Supersol 2	11300	1190	+8.0
Delek r	5753	8755	+6.5
Lighterage	21200	65	+6.5
Cold Storage	1190	4588	+8.2
Dan Hotels	1780	500	+4.7
Yarden Hotel	2780	299	+3.0
Hilon 1	no trading		
Team 1	1025	6684	–
Real Estate, Building and Agriculture			
Azorim	1150	14060	+3.6
Eilon	500	16516	–
Africa Isr. 0.1	51800	150	+1.4
Dankner	7980	1176	+9.8
Prop. & Bldg.	3751	2202	+3.0
Bayside 0.1	4950	3342	+5.5
ILDC r	84500	406	+3.8
Rassco r	7134	s.o.1	–5.0
Mehadrin	no trading		
Hadarim	2070	4659	+2.5
Industrials			
Dubek b	7005	3846	+4.1
Pri-Ze 1	no trading		
Sunfrost	no trading		
Elite	25000	1845	+4.2
Adgar	950	9212	+8.0
Argaman r	16000	114	+2.2
Delta G 1	4687	1283	+6.2
Maquette 1	5115	689	–
Eagle 1	27188	182	–0.7
Polgat	4480	1858	+3.7
Schoellerina	19636	314	+4.2
Rogosin	3100	929	+5.1
Urdan 0.1 r	9240	356	–
Is. Can Co. 1	4550	3269	+4.6
Zion Cables	2690	642	–
Pecker Steel	22500	121	–
Elbit	622000	24	+5.1
Elron	509000	35	+2.8
Arit	32000	61	+2.6
Clal Electronics	2400	6912	–4.0
Spectronix 1	3045	2047	+4.8
T.A.T. 1	1900	806	+4.0
Ackerstein 1	1250	712	–
Agan 5	21450	571	+4.9
Alliance	2370	322	–
Dexter	3069	200	–
Fertilisers	5100	63	–
Haifa Chem.	no trading		
Teva r	12766	1245	+4.9
Dead Sea r	4090	22079	+3.0
Petrochem.	616	27801	–
Neca Chem.	7900	359	+2.9
Frutarom	18170	161	+7.7
Hadera Paper	448902	123	+3.0
Central Trade	13700	1303	+6.0
Koor p	12297000	2	+6.0
Clal Inds.	3128	85221	+10.0
Investment Companies			
IDB Dev. r	9500	8495	+9.2
Elam	5400	1788	+3.9
Afik 1	313	19909	–
Gahelet	1533	438	+5.0
Israel Corp. 1	19800	1211	+5.0
Wolfson 1 r	132500	2	–1.9
Hapoalim Inv.	11501	1326	+4.6
Discount Invest.	6130	15411	+9.1
Mizrahi Invest.	31310	54	+1.0
Clal 10	1790	27860	+4.7
Landeco 0.1	3025	251	+10.0
Pama 0.1	12000	223	–
Oil Exploration			
Paz Oil Expl.	28650	133	–
J.O.E.L.	5215	1344	–

Abbreviations:
s.o. sellers only **b bearer**
b.o. buyers only **r registered**

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FINANCIAL DATA ISRAEL EUROPE U.S.

ISRAEL MONEY MARKETS

SHEKEL INTEREST RATES

PRIME BORROWING RATE: 2.5% per month

Unlinked Deposit (Annual Rates)

	Last Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	29.2	10-25.50%	11-25.50%	15-26.50%
HAPOALIM	13.2	10-24.00%	11-24.50%	15-27.00%
DISCOUNT	26.2	10-25.50%	11-25.50%	17-29.00%
MIZRAHI	1.12	8-17%	6-17.50%	6-19.50%
FIRST INT'L	24.2	17-25.00%	18.25-26.50%	22-28.00%

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (February 27)

MINIMUM DEP	3-MONTHS	6-MONTHS	12-MONTHS
USD ($100,000)	5.625	5.625	5.750
STG (10,000 pounds)	9.125	8.750	8.625
DMK (100,000 marks)	3.000	3.125	3.250
SFR (50,000 francs)	2.875	2.875	3.000
YEN (3,000,000 yen)	2.750	3.025	3.025

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES (February 27)

		CHEQUES AND TRANSFERS Buy	Sell	BANKNOTES Buy	Sell	Rep. Rates
Currency basket	1	1.6670	1.6870	—	—	1.6783
U.S. Dollar	1	1.6055	1.6255	1.57	1.64	1.6161
Deutschmark	1	0.8783	0.8892	0.86	0.90	0.8853
Pound Sterling	1	2.4781	2.5090	2.42	2.53	2.4969
French Franc	1	0.2639	0.2672	0.25	0.27	0.2659
Japanese Yen	100	1.0483	1.0614	1.03	1.07	1.0552
Dutch Florin	1	0.7786	0.7883	0.76	0.80	0.7836
Swiss Franc	1	1.0432	1.0562	1.02	1.07	1.0518
Swedish Krone	1	0.2484	0.2515	0.24	0.25	0.2500
Norwegian Krone	1	0.2299	0.2328	0.22	0.23	0.2315
Danish Krone	1	0.2332	0.2361	0.23	0.24	0.2347
Finnish Mark	1	0.3546	0.3590	0.35	0.36	0.3570
Canadian Dollar	1	1.2040	1.2190	1.18	1.23	1.2131
Australian Dollar	1	1.0869	1.1005	1.00	1.10	1.0927
S. African Rand	1	0.7739	0.7835	0.50	0.60	0.7789
Belgian Franc	10	0.4201	0.4253	0.41	0.43	0.4275
Austrian Shilling	10	1.2494	1.2650	1.22	1.28	1.2586
Italian Lira	1000	1.2368	1.2523	1.20	1.27	1.2446
Jordanian Dinar	1	—	—	4.50	4.78	4.6705
Egyptian Pound	1	—	—	0.77	0.82	0.8339
ECU	1	1.8174	1.8401	—	—	1.8293

SUPPLIED BY **BANK LEUMI**

EUROPEAN FINANCIAL MARKETS

(February 26)

PRECIOUS METALS

GOLD:	LONDON	A.M. FIX	405.75	P.M. FIX	405.85
	PARIS	NOON FIX	406.02	ZURICH P.M.	406.75
SILVER:	LONDON	FIX	546.75		
PLATINUM:	LONDON	P.M.	528.50		
PALLADIUM:	LONDON	P.M.	118.50		

FOREIGN CURRENCY CROSS RATES (London 15.30GMT)

Forward Rates
(February 27)

	SPOT	2 MTHS	3 MTHS	6 MTHS
DEUTSCHMARK	1.8270/85	75/72	107/104	205/200
POUND STERLING	1.5460/70*	114/112	160/157	284/280
SWISS FRANC	1.5365/80	64/60	95/91	181/184
JAPANESE YEN	153.20/30	52/50	72/70	137/133
FRENCH FRANC	6.0895/15	240/280	370/400	760/810
ITALIAN LIRA	1300.00/75	780/830	1175/1225	2375/2450
DUTCH GULDEN	2.0655/65	35/32	53/49	107/102
BELGIAN FRANC	37.845/855	7.5/5.5	11.5/14.5	23/28
DANISH KRONE	6.8925/10	530/580	825/875	1475/1575
S.AFRICAN RAND	0.4807/14	14/9	20/15	80/70
EUROPEAN CURR. UNIT	1.1303/07	21/18	31/27	57/51
FINNISH MARK	4.5325/45	525/565	775/825	1600/1700
AUSTRALIAN DOLLAR	0.6765/70	86/83	123/118	213/207
NORWEGIAN KRONE	6.9750/50	970/1000	1470/1500	2900/2950

* As of yesterday, citybank is reporting the pound sterling rate as the number of pounds required to buy $1.

Formula for determining forward rates:
high/low (eg. 220/210) — deduct from spot price.
low/high (eg. 210/220) — add to spot price.

NEW YORK FINANCIAL MARKETS

U.S. MONEY RATES

Prime Rate 7.50%; Broker 7.25%-7.00%; NY Euros 3 months 6 7/16-5/16%; Fed Funds late 6%.

NEW YORK FOREIGN EXCHANGE

	DMK	SFR	STG	YEN	CAN
PREVIOUS CLOSE	1.8225/35	1.5345/55	1.5400/10	152.95/00	1.3317/22
OPENING	1.8230/40	1.5340/55	1.5445/55	153.10/20	1.3315/20
LATEST	1.8260/70	1.5365/80	1.5475/85	153.15/25	1.3345/50

Comment

The dollar closed slightly higher Friday against most other currencies, with few traders prepared to establish fresh positions at week- and month-end. A $14.8 billion U.S. trade deficit in January was within expectations and therefore had limited impact. Also, traders' inclination to sell dollars was curbed by fear about possible central bank intervention.

ISRAELI STOCKS

TRADED IN NEW YORK:

NYSE and ASE

	Last	Prev. Close	High	Low	Vol ('00s)
Alliance	—	1⅜	—	—	—
Am Isr Pap	25⅝	24⅜	25½	24¾	161
Ampal	1⅞	1⅞	1⅞	1¾	19
Crml Cntrs	8½	8½	8½	8¼	206
Elscint	2⅛	2	2⅛	2	34
Etz Lavud	11½	11⅝	11½	11½	3
Laser Inds	14¾	14⅞	14⅞	14⅝	153

Over the counter

	last	bid	ask		last	bid	ask
Aryt	—	5½	6				
Bank Leumi	—	22	24	Interpharm	—	3⅞	4¾
Elbit	10⅝	10⅝	10¾	Oprotech	8	7½	8
ECI Tel.	1⅝	3½	3¾	Rada	—	2½	2¾
Elron	8¾	8¾	9	Scitex	4⅞	4⅞	5
Fibronics	10⅛	9⅞	10⅛	Taro-Vit	—	2¼	2½
IDB Bank	—	51	55	Tevapharm	—	8½	9
IIS	3¾	3⅜	3¾	SPI	—	2⅛	2½

WALL STREET Closing Prices

Dow Jones Indices

IND	2,223.99	+	7.31
TRANS	935.68	+	2.78
UTILS	218.97	+	0.52
STOCKS	849.22	+	2.61
NYSE COMP	182.01	+	0.60
NYSE INDS	192.00	+	0.75
NASD COMP	424.97	+	2.04
S-P 100 INDEX	273.19	+	1.26
S-P COMPOSITE	284.20	+	1.25
AMEX INDEX	321.76	+	1.41

NYSE Highest Volume

XEROX	73¼	– ¼
ATT	22½	– ¼
NAVISTAR	7⅜	+½
AM MOTORS	3⅞	– ⅛
AM EXPRESS	74	+1¼
MID-SO UTL	14¼	–⅜
PHILIPS PE	13⅛	+ ⅝
WEYERH	52⅛	+ 2⅝
ALEX	27½	– ¼
CITICORP	53¼	+⅝

Statistics

NYSE VOL. 142,800,000 STOCKS UP 692 DOWN 533
NASDAQ VOL. 155,348,500 (Feb. 26) STOCKS UP 1,211 DOWN 992

Comment

Interest-sensitive issues provided Wall Street with a mild lift Friday, but the advance remained cautious amidst growing concern about the economy. Friday's report of a hefty January trade deficit and Thursday's announcement of a sharp decline in durable goods were the inhibiting factors.

Volume slid to 143 million shares, one of the slowest trading days of the year, from 166 million shares traded on Thursday.

OVERSEAS FINANCIAL DATA
PROVIDED BY REUTERS MONITOR

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Cabinet stand-off

ALTHOUGH they could not be farther apart on the issue of the international conference, the two combat-locked heads of Israel's national unity government – to give it its full name – yesterday appeared to be satisfied with the present stand-off position in the cabinet.

Mr. Peres was satisfied because his talks in Cairo led to the reaffirmation of last year's joint Israeli-Egyptian commitment to the conference as a prelude to direct negotiations on the Palestinian issue, and Premier Yitzhak Shamir because they amounted to hardly anything more. So that while the leaders of the Alignment and the Likud, acting in the line of political duty, found it impossible not to exchange some verbal insults at the weekly cabinet meeting yesterday, the survival of the government did not seem to be in danger at this stage.

Thus Mr. Peres will be free to keep on exploring the idea of the conference in further talks with foreign leaders, noting that for the time being no operational decisions on this score are called for. The foreign minister needs no specific authorization by the cabinet for his explorations, and neither could he obtain such authorization.

By the same token, however, the explorations could only be cut short by a specific inner-cabinet resolution to that effect; but a draw, which is all that the Likud should be able to come up with in a vote against the Alignment, would amount to a defeat.

There is no reason for Mr. Shamir to make the conference idea a real issue now, except in public debate, even within the government. Only when Mr. Peres gets down to brass tacks on it with his Arab partners will the premier be waiting around the corner to foil the foreign minister's initiative. A premature showdown is what both of them are for the moment flinching from.

Getting down to brass tacks will evidently take time. Last Wednesday, the day of Mr. Peres's departure for Cairo, a prediction was made from the Knesset rostrum by the CRM's Yossi Sarid that the foreign minister would be pleasantly surprised on arrival in the Egyptian capital. He would, so the prediction ran, be presented with an approved list of Palestinian representatives, presumably acceptable to him, in a joint Jordanian-Palestinian delegation to the conference. But the prediction turned out to have been somewhat premature.

Discussions between Egypt and Jordan, following up on the Cairo talks, are scheduled to focus on the compilation of just such a list. The good news is that it will apparently not include any PLO names unacceptable to Israel. The bad news is that the original plan was to have such a list ready well over a year ago.

Still, there is at least the semblance of a peace process, and Mr. Peres is not dispirited. For all of Mr. Shamir's intransigence, Israel's reputation as a peace-seeking country is being kept up, or in any case half kept up, and the Alignment may be scoring points in preparation for the next election campaign.

But a model of sound governance this elaborate procedure of internal obstruction and stalemate cannot be said to offer.

SHAMIR

(Continued from Page One)

Shamir: The conference is a disaster for Israel.

Peres: These are Geula Cohen's formulations.

Shamir: You are not talking to Geula Cohen. One must act according to agreed guidelines if one wants to avoid a break-up of the government.

Before this exchange, Energy Minister Moshe Shahal and Finance Minister Moshe Nissim – both jurists – debated the finer historical-legal arguments underlying Shamir's and Peres's positions.

Shahal, like Levy, said that it was inconceivable that the government should speak with two voices. The Camp David accords were not the only possible framework for future peace talks, said Shahal. The government of former Premier Menachem Begin, he noted, had in 1977 resolved in favour of an international conference at Geneva.

Nissim: Geneva died.

Peres: Is there a death certificate?

Nissim: Israel, Egypt and the U.S., in the Camp David accords, agreed that direct talks would be the only avenue to reach peace.

Peres: The 1977 decision, which included acceptance of Soviet participation in the conference, still stands. Whoever wants to overturn it must initiate a new cabinet vote for that purpose. But if the cabinet voted it down, he, Peres, would stop dealing with the matter.

"It is not a hobby of mine," said the foreign minister, adding that he would not go back on the policy he has pursued for more than two years. There was rotation in jobs, not in policies, he said. And even if the cabinet's 1977 decision has formally expired, it is still in force "morally and politically."

"Make a proposal to bring the matter to a vote," Peres said to Levy at this point.

Levy: "Vive la liberte'" (meaning I am free to do what I want, and I don't want to do so.)

In his report to the cabinet on his visit to the U.S., Shamir said that despite the Pollard and Irangate affairs, and the question of Israel-South African relations, the Reagan Administration had made every effort to demonstrate that Israel-U.S. relations were "continuing normally."

Shamir reported that Reagan had been "in high spirits" during their meeting and knowledgeable about the material being discussed. He said that he had reached agreement with Congressional leaders about how Israel was to be questioned in the Irangate probes.

Shamir reported that both Reagan and Shultz, were opposed in "their gut feelings" in the words of one senior source, to the inclusion of the Soviet Union in Middle East peace diplomacy.

There was readiness in the Reagan Administration and among American Jewish leaders, he said, to review the "political refugee status" accorded Soviet Jewish emigres.

Peres, reporting on his two-day visit to Cairo last week, said that the atmosphere in Egypt was now much more congenial than last September, during the Alexandria Summit with President Mubarak. He said there had been progress in solving the Ras Burka compensation issue: that there was agreement on instituting direct Arkia flights between Luxor and Eilat; and that direct telephone dialling between Egypt and Israel was to have been inaugurated yesterday (when Israeli ambassador to Egypt Moshe Sasson directly dialled to Peres in Jerusalem.)

His visit, said Peres, was satisfactorily covered in the Egyptian press. The Egyptians, he reported, had not "excluded" the PLO from participating in the peace process, but were now "tired" of them.

Peres summarized his visit by saying that Egypt had agreed to recognize the international conference as a "wrapper" and "opening" for direct talks; that the nature of the Palestinian participation had to be agreed upon by Israel and Egypt; and that Egypt and Israel would cooperate in the process.

ARMS CUT

(Continued from Page One)

negotiators in Geneva scheduled a special session today to discuss the Soviet leader's call for a separate accord on medium-range missiles "without delay."

Genscher said the Soviet leadership had recognized that the issue of medium-range missiles could not be connected to East-West differences over the SDI. By separating medium-range missiles from other disarmament issues, Gorbachev has removed the main obstacle to an agreement on reducing and destroying all Soviet and American medium-range missiles," he said.

Reagan's attachment to SDI, not shared by most Europeans, has surfaced again as a major issue in the Western alliance with reports that Washington may be poised to begin extensive testing of SDI components under a broad interpretation of the Anti-Ballistic Missile (ABM) Treaty.

In the face of the apparently big concession made by Gorbachev on medium-range missiles, Washington may now find it difficult to embark on this course, analysts said.

The Nato allies have made clear to Washington they feel a re-interpretation of the landmark 1972 ABM treaty could scuttle prospects of an arms control agreement in the remaining two years of the Reagan administration. (Reuter, AP)

The illegality of Soviet decrees

Jacob Eisenstat

ON AUGUST 28, 1986, the Council of Ministers of the USSR passed its Decree No. 1065, amending the statute on entry to and departure from the USSR passed on September 22, 1970.

The old statute contains regulations concerning departure from the USSR on diplomatic service, sailors' passports, and persons travelling abroad on private business.

The new decree came into force on January 1, 1987. It has attracted worldwide attention, because it has long been expected that the Soviet Union would pass a law on emigration.

Complete and detailed legislation on emigration does not exist in the USSR. Soviet borders were closed for decades and there was no need for it.

At the beginning of the 1970s, the movement of Jewish national reawakening changed this situation: mass emigration started and necessitated a law on emigration, but such a law has still not been passed.

'Complete and detailed legislation on emigration does not exist in the USSR. Soviet borders were closed for decades.'

According to the Constitution of the USSR, only the Supreme Soviet has the right to pass laws. Between its sessions, its Presidium can introduce change in the existing laws, which are submitted for confirmation at the following session of the Supreme Soviet. The Council of Ministers has no right to pass or change laws.

Decree No. 1064 does not correspond to the requirements. It contradicts existing Soviet laws and the international agreements to which the USSR is a party on a number of points.

There are many international agreements and laws of individual Soviets which in the aggregate can serve as a sufficient legal basis for the emigration of Soviet citizens.

In considering international agreements signed by the USSR and envisaging a person's right to leave his homeland and to return to it, it is necessary to remember that Soviet legislation makes it obligatory for these international agreements to be observed within the USSR.

According to the civil codes of the USSR and of its constitutent republics: "If by an international treaty or agreement to which the USSR is a party other rules are laid down than those contained in Soviet civil legislation, then the rules of the international treaty or agreement will apply."

HOW DOES Decree No. 1064 contradict such international agreements signed by the USSR and Soviet law?

Article 21 lists the reasons for leaving the USSR on private business; it starts with "reunification of family members" and ends with "and other valid matters."

This contradicts the International Covenant on Civil and Political Rights adopted by the UN General Assembly on December 16, 1966 and ratified by a decree of the Presidium of the Supreme Soviet on September 18, 1973. Para. 2 of Article 12 of the covenant states: "Every man has the right to leave any country, including his own."

It also contradicts the International Convention on Liquidation of All Forms of Racial Discrimination ratified by the Presidium on January 22, 1969. That convention speaks of "the right to leave any country, including one's own, and to return to one's country."

Neither of these agreements contains any reservations about reunification of families or about valid reasons for leaving the USSR. Therefore the new decree constitutes a flagrant violation of international agreements and Soviet law.

ARTICLE 24 of the decree contains numerous deviations from international agreements and Soviet laws. It lists the relatives from whom invitations are accepted for family reunification; it speaks of the necessity of considering a person's emigration together with that of other relatives and disabled dependants living as members of his household.

A certain concession is made if a person has no family members in the USSR. He may submit an invitation from another relative, i.e., not necessarily those mentioned (husband, wife, father, mother, son, daughter, brother or sister).

All these demands and feigned concessions are flagrant violations of the above-mentioned covenant and convention which the Council of Ministers has no authority to revoke or amend.

MUCH OF the wording in Article 25 of the new decree was quite lawfully taken from Article 17 of the Law on Citizenship of the USSR of 1973 dealing with the renunciation of Soviet citizenship. Under this, if an applicant *has been charged* with a criminal offence, his renunciation of citizenship and, consequently, his departure from the USSR is inadmissible.

In Article 25 of the new decree we read: "If there are legal grounds for charging him with criminal responsibility..." This new wording leaves ample room for arbitrariness. It provides an opportunity for charging someone with criminal responsibility after he has submitted an application for emigration.

The same article contains such new grounds for denying permission to leave as that during a previous stay abroad, the applicant committed acts which violated the interests of the state or customs or currency regulations; he supplied false information when he submitted his application for emigration.

These circumstances cannot serve as grounds for denying an emigration permit, because international agreements and Soviet laws contain no such provisions. In this matter, the Council of Ministers overstepped the boundaries of its authority.

ARTICLE 28 of the new decree speaks about the period for considering applications for leaving the USSR permanently. This should be one month, but can be extended to six months. This contradicts Soviet legislation, since a decree of the Presidium of April 12, 1968, demands that any petitions submitted to state organs are to be considered within a month. The Council of Ministers had no right to extend this period.

THE ABOVE points show that hopes for a basic law on emigration from the USSR have not been fulfilled. It is possible that the Soviet authorities were unwilling to pass a law or a decree on emigration because they prefer not to publicize anything connected with that matter. A law or a ukase would be more accessible to wider circles than a decree of the Council of Ministers.

The decree itself was edited in such a way that it dealt first with questions of entry into the USSR, and only then with departure from it. In fact, entry is so limited that it cannot be compared even with the present emigration. The authors of the decree are trying to restrict the whole question of emigration to family reunification.

IF WE look at the matter from a purely pragmatic point of view, and simply ask whether it is "good for the Jews" wishing to leave the USSR, there are some positive points to be noted in the new decree.

Family members remaining in the USSR, as well as a former husband (if the couple had children who are still under age) do not have to produce written consent to emigration but only a statement certifying that they have no claims against the departing person. This statement no longer needs to be registered with the applicant's housing authorities, which could lead to unpleasantness with neighbours.

The wording of each reason for a refusal mentions its temporary character, e.g., "until the circumstances hindering departure are no longer valid." The periods for considering applications have been fixed and grounds for a refusal have to be notified.

The decree envisages the possibility of agreements between the USSR and other countries with regard to emigration.

There are also some negative points abut the decree. A valid reason for wishing to leave the USSR has now to be given.

A serious complication has been introduced with regard to children under 18: only legal guardians (who are, as a rule, both parents) can apply on their behalf, and a child between 14 and 18 must supply his written and notarized consent.

It follows from the text of Article 24 of the decree that brothers and sisters of the applicant will also have to supply a statement certifying the absence of unfulfilled obligations.

'The decree has to be seen in the general context of Gorbachev's reforms.'

THE DECREE has to be seen in the general context of Gorbachev's reforms. The attempt to create an impression of a basic reform is combined with a real concern to prevent any basic change.

It is designed to show the West that the USSR is undertaking some positive reforms even in such a delicate field as emigration but, in fact, it has changed nothing; there is still ample room for arbitrariness on the part of the Interior Ministry and KGB officials.

The practical application of the decree will depend on many important factors determining the relations between the USSR and the free world, especially the extent to which the Soviet leaders can be made to observe international agreements to which the USSR is a party.

So far, all hopes have remained unfulfilled. Many hoped that the Supreme Soviet would pass a unified, detailed and comprehensive law on emigration. But this has not happened. The mountain has brought forth a mouse.

The writer, a former member of the Moscow City College of Barristers, has lived in Jerusalem since 1982 and works for the Centre for Research and Documentation of East European Jewry.

POSTSCRIPTS

P.S. ROOT-CANAL surgery is a common procedure for humans, but dentists seldom tackle the fangs of a 550-kilo Siberian tiger.

Reesha, an 8-year-old tiger, was treated recently at the wildlife station in Angeles National Forest. The animal developed cracked, abscessed teeth when it tried to supplement its diet of meat with cage bars and fences.

Dentists used a 2-metre table with a hydraulic lift designed for large animals by UCLA engineering students.

After the tiger was sedated and its limbs tied, dentists Bert Kaufman and Phil Shindler began work. Reesha's mouth was held open with a clamp.

Reesha had one tooth extracted and underwent root-canal surgery on two other teeth.

P.S. ISRAELI beggars might take example from the beggars in Nigeria's Sokoto state. They recently organized the Sokoto State Destitutes' Association, and at an emergancy meeting decided to reject small coins from alms-givers. They say they took this action in protest at the devaluation of Nigeria's currency, the naira.
J.C.

PENFRIENDS

NATHALIE LEVIEUX (20), of 56 Rue Ruffin, 76210 Bolbec, France, would like to correspond in English or French with a young Israeli woman of her age.

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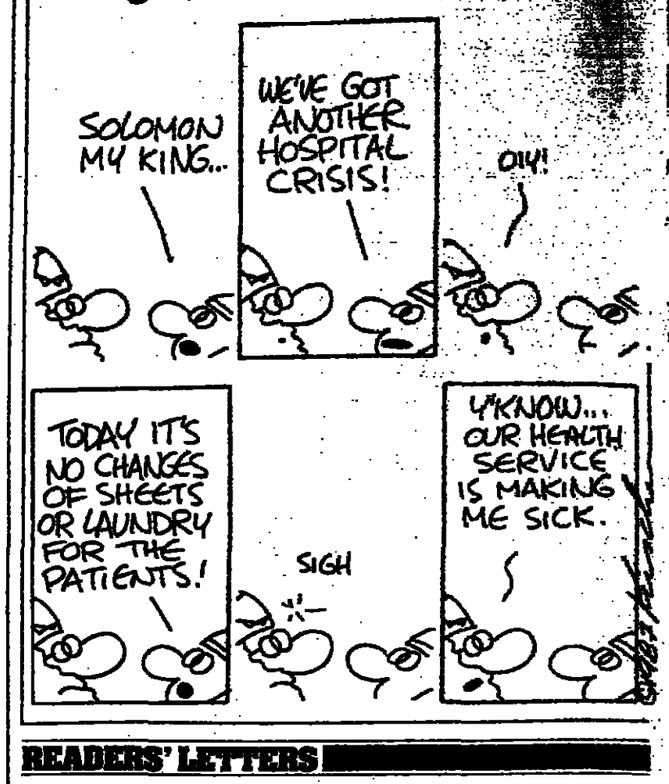
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READERS' LETTERS

THE JAPHET SETTLEMENT

To the Editor of The Jerusalem Post

Sir, – It would be interesting to know – and the public has the right to know – how Ernest Japhet's salary of about $1 million a year and his severance pay of more than $4m. was paid. Was it paid in Israeli shekels or in dollars? Is this money in the country, or was it transferred abroad, and if so, who gave the authorization?

I get the impression that Mr. Japhet was an autocrat surrounded by "yes-men" on his board. Otherwise, I can't understand the salary and severance pay contracts that were signed – at a time when Mr. Japhet, through the manipulation of bank shares, caused losses of billions of dollars to the bank. Can't the contracts be nullified in court?

Mr. Japhet's liquor allowance per year was $10,000 – so I read in the press. This sum is equal to what I receive over two years in pension from Mivtahim after 20 years' service.

And Mr. Dulzin's role as governor? He wishes to justify his behaviour (Readers' Letters, February 16) by the fact that he knew only from the press about Mr. Japhet's contracts. He doesn't understand that just this fact speaks against him. He should have known, his duty was to know and his not knowing is no excuse.

ABRAHAM D. STERN
Jerusalem.

SECURITY GRIEVANCES

To the Editor of The Jerusalem Post

Sir, – Your recent publication of a letter by Jonathan Pollard raises important questions, apart from the obvious and immediate ones relating to his personal status and the competence and morality of those who employed him in his various capacities.

Why, for example, has there been so little public discussion of Mr. Pollard's allegation that Israel was wrongly denied information vital to its security? Is there no truth to it? Or has Israel, in return for its silence, been promised future access? Or is it inhibited from raising the matter by fear of further compromising its reputation in the U.S.?

Israel is paying a price for its misunderstanding and apparent contempt for American institutions. It would be unfortunate, however, if the prior insensitivity were compounded by a fatal hesitance to redress valid security grievances in an appropriate fashion.

SETH A. HALPERN
Scarsdale, New York.

STRANGE REACTION

To the Editor of The Jerusalem Post

Sir, – At this point it is not clear whether the letter attributed to Austrian Foreign Minister Mock and sent to Margaret Thatcher, in which he suggested that President Kurt Waldheim should be encouraged to resign, is a forgery or not. But what is clear is that the reaction of Michael Graff, general secretary of the Austrian People's Party, reveals a dual standard with a long history in Germanic countries.

Reacting to the letter's appearance in *The Jerusalem Post*, Graff states that the (alleged) fabrication "is exactly how you incite anti-Semitism." This makes one wonder whether its appearance in a British newspaper would elicit the statement "This is exactly how you incite anti-British feeling."

GAVRIEL BEN-EPHRAIM
Jerusalem.

MISUSE OF MONIES

To the Editor of The Jerusalem Post

Sir, – Messrs. Amor, Hazan, Ariav and Goldberg, leaders of developmental towns in Israel assert in their advertisement of February 2 that they "reject in disgust the recent unbridled attacks on the Jewish Agency" and reaffirm their support of Arye Dulzin.

Are they implying that the news reports on Mr. Dulzin's involvement in the Bank Leumi happenstance are inauthentic? If so, they should confront and counter those journalists and their sources. Trying to absolve him by placing an advertisement in *The Jerusalem Post* is misusing the monies much needed by the developmental towns.

LORRAINE BUCHSBAUM
Flushing, New York.

JEWISH FAMILY NAMES

To the Editor of The Jerusalem Post

Sir, – If any of your readers has an unusual family name or there is an interesting story behind it, the Association for the Study of Jewish Languages would like to record it (free of charge) in its Jewish Family Name File. Please send details to the Association for the Study of Jewish Languages, 1610 Eshkol Tower, University of Haifa, 31 999 Haifa.

DR. DAVID GOLD
Haifa.

